Loan Sharks Prey on Needy

Largest Circulation of Any Canadian Financial Paper

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The Nation's Business

Paring Expenses When Drastic Reform Needed
Our Rising Burdens
Nova Scotia Millions
P. D. Ross as Ontario Governor

Drastic Action Needed on Taxes

IN HIS review of the annual statement of British Columbia Power Corporation, the city editor of the London Times comments on the rapid rise in the taxation burdens borne by the company. As a matter of fact, B. C. Power paid one dollar in taxes in its last fiscal year for every $2 it paid in dividends. And these dividends were further taxed when they were received by the shareholders. When we consider the fact that this company enjoyed a relatively prosperous year and that a large proportion of Canadian corporations are paying no dividends at all it is easy to believe that Canadian business pays more in taxes in the course of a year than it pays for the rental of capital. Why talk about Socialism? Isn't this accomplishing all the Socialists could ask for?

At the Canadian Tax Conference in Hamilton last week it was brought out that 1,500,000 people comprise the families that are supported by government pay in Canada. Dr. Horace L. Brittain, director of the Citizens' Research Institute of Canada, showed how simple it is for bureaucratic personnel to grow in numbers. Private business, faced with the necessity of careful administration, if insolvency is to be avoided, has to hold its staff to a minimum. But governments — federal, provincial and municipal—are constantly under pressure to increase their staffs.

* * *

IT IS probable that for the years 1930, 1931 and 1932 that taxes collected in Canada will average about one-fourth of the national income. Canadians will work one day in four to keep the tax collector from calling in the bailiff. Before the war we worked one day in ten to pay our taxes but the proportion has steadily risen.

* * *

IT IS difficult to see how any substantial relief from the burden of taxation can be expected until there is a radical revision of the spending policies of the different governments. The present expensive unemployment relief programme comes at a time when our governments are just beginning to get the full burden of the bills for such paternalistic or socialistic projects as publicly-owned utilities, old age pensions, farm credits, freight rate subsidies, government guarantees of projects that should never have been undertaken if they could not stand on their own feet, luxurious highways, schools that embrace the most advanced notions, etc. We freely engaged in a process of expanding governmental functions at a time when things looked prosperous and national revenues from production were gaining rapidly. The country's business enterprises and citizens could stagger through, complaining but solvent, when money came easily from the opening up of natural resources and the expansion of export trade. But in times like these the bills are harder to meet.

* * *

ALL over Canada business concerns are fighting hard to avoid bankruptcy and their approach to the problem is through the reduction of costs and the elimination of waste. But always they are faced with the fact that one of the most important items of cost is not going down, it is going up; the item of taxes, because the biggest business institution in Canada—government — which employs 385,000 people, is not ferreting out waste, is not giving due consideration to cutting costs but is contenting itself with isolated moderate savings here and there, not to reduce the total bill but merely to find the money for new ventures and new items of expense.

For example, the best the Federal Government has been able to do in the last six months by watching the pennies is to cut expenditures by $3,000,000, while twenty-five times that has been spent in capital account, railway deficits, relief, etc.

* * *

THE people of governmental authorities of Canada face the absolute necessity of drastic revision in the scope of governmental activity during the next decade; not merely a policy of careful attention to every small item and of frugal administration of activities already carried on. This is an obvious and essential need but something further is required. Government has invaded to an alarming extent the functions of the private individual; has given him fatherly care and assistance in regard to many matters that should be left to each person and has penetrated deeply into the realm of business itself. The bureaucrats must hand back to the rank and file of the citizenry the responsibility for the conduct of many phases of the country's economic life that have been assumed by government.

It is unpopular now to moot the doctrine of "laissez faire." But,

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SHAWINIGAN PROFIT TREND ON LOW BASE

Interim Figures Indicate Less Than $2 a Share

BUILDING UP LOAD

Active Steps Are Taken to Attract Industries to Area Served by Company

From Our Own Correspondent

MONTREAL.—Earnings of less than $2 a share on the common stock of Shawinigan Water and Power Co. in 1931, are indicated by preliminary figures covering the first eight months period.

An official statement shows that between January and August, 1931, gross income totalled $9,024,086. Expenses amounted to $3,271,884, leaving net profits of $5,752,450 available for bond interest charges, which totalled $2,606,450 during the period. Net earnings available for depreciation and dividends in the eight months, therefore, totalled $3,145,752.

May Show Under $2

Carrying out earnings for the full 12 months on the same basis as the January-August period, net profits would amount to $4,718,628. Making provision for the customary depreciation charges of $800,000, would leave $3,918,628 available for distribution on the common stock.

This is approximately $1.80 on each of the 2,178,250 shares of no par value common stock outstanding. Last year net earnings equalled $2.65 a share on the same number of shares.

Gross income of Shawinigan during 1930 was $14,954,074 and net profits applicable to dividends were $5,770,670 as compared with $5,107,979 in the preceding year.

Output Has Declined

Despite the increase in earnings, output of power in 1930 fell below figures of the previous year, amounting to 3,276,114,085 kw.h., a decrease of about 184,400,000 kw.h.

Further declines have been registered this year. Though the retail distribution business has been satisfactorily maintained, large blocks of power sold to the pulp and paper industry and other large power users have been affected by the reduced operations of these establishments.

Firm contracts of Shawinigan have not been affected, but substantial amounts of secondary power have been reduced, which have found reflection in the company's earnings.

Have Cut Dividend

During the first quarter of the current year, earnings of Shawinigan held up remarkably well and it is understood that dividend requirements had been fully covered. Since that time the trend of earnings has been more markedly downward and early in September the directors announced that the dividend payable in October to shareholders of record September 30, would be on the basis of 50 cents quarterly. This put the stock on a $2 annual dividend basis, as compared with $2.50 a share prevailing previously.

The reduction in dividend is reported to be the equivalent of $500,000 less in dividend charges. Unless earnings take a sharp upward turn in the latter part of the year, however, it is possible that the company will have to report a deficit in 1931 after dividend charges, even allowing for the lower rate.

Building up Load

For some time past Shawinigan has been actively engaged in building up the load on its lines. To that end considerable attention has been paid to securing new industries for the territory it serves. Last year 21 new industries were established, to which 6,500 h.p. of electrical energy is delivered.

Since the beginning of the year new contracts have been concluded with the Brown Corp., at La Tuque, Canadian Industries Ltd., which is building a cellophane plant at

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Coming in The Post

This week we publish the first article of a series of exposures of the manner in which loan sharks, now operating as incorporated companies, prey upon unemployed or small salaried workers in need. Further articles will add to the somewhat startling story.

The articles on the wage policies of Canadian firms will continue in later issues.

A vital article to be published shortly will discuss the relative taxation of Canadian railways and Canadian truck operators.

In an early issue will appear our annual Merchandising and Food Industries supplement. The chain store stocks, as well as securities of milling, canning, packing, bakery, department store and similar companies will be thoroughly analyzed.

Those who follow with interest The Post's surveys of conditions in different areas of Canada will welcome a supplement on Nova Scotia to come out shortly.

Hoover Plan Enhances Bennett's Prospects For Big U.S. Credit

Big Loan to Meet Interest Charges Now Likely

MAY AID EXCHANGE

But Little Likelihood That Loan Would Put Canadian Dollar Back to Par Again

From Our Own Correspondent

OTTAWA.—While ten days ago Prime Minister Bennett's desperate efforts to obtain a large loan in New York met with no signs of success the aspect of the situation has been changed materially by President Hoover's plan to relieve American banks of a large part of their frozen loans. The loan is now considered possible.

Under pressure of changing circumstances, national policies in regard to the currency exchange and gold situations, are changing at Ottawa with almost baffling rapidity.

Here is the record:

Between September 20 and October 1, the Federal government regarded the adverse exchange rate as of such paramount moment that an immediate effort to bring the Canadian dollar back to par was accepted as certain.

By October 7, the government upon reviewing conditions reached the conclusion that while the exchange rate made settlement of government debt—Federal, provincial and municipal—very difficult, other consequences were rather advantageous to this country.

Today the administration is definitely planning ways and means of escaping the problems of debt settlement, without impairing the gold reserves, and—perhaps, as a natural consequence—the restoration of the dollar to par.

The Federal government is not worried by any of the consequences of the depreciated dollar other than those of debt settlement.

In these circumstances, while nothing official is available, it would occasion no surprise if United States financiers agreed to accept a large Canadian loan. This loan would have to be sufficiently large to look after inescapable capital expenditures and debt settlement. It would not, necessarily, be used to restore the dollar to par. In all probability it would not be available for settlement of corporation and private debt. In the view of the government, it would remove all the evils of the present condition, perhaps leave the advantages. The effect of such a loan, of course, might be to restore confidence in the dollar, bring it back to par. On this score, however, only opinions are available, and these are contradictory.

The recent visit of Premier Bennett to the United States, unquestionably, has more significance than the acceptance of a few degrees from American universities. His return may soon be followed by the announcement of a loan. Otherwise, the government will have to devise new policies to meet the difficulties presented by debt settlement, with the dollar at a ten per cent discount. The probabilities, however, are distinctly that he will be successful. The gradual rise in the exchange indicates that Wall Street is not entirely unaware of the activities in progress behind the scenes.

Still on "Gold Standard"

Meantime, the fiction that Canada is on the gold standard persists. There has still to be faced, the question of whether Dominion bonds, payable either in the United States or Canada, are redeemable in gold. Many of these bonds, both Federal and provincial, bear on their face a guarantee of redemption, if the owner demands, in refined gold. But obviously, the gold resources of the Dominion—now standing at $74,000,000—are inadequate to redeem even a small part of our public debt.

The problem has not yet been met in a large way because no major bond issue has matured. In the case of the $13,000,000 1916 War Loan bonds, the government, it is understood, fought off the domestic demands for gold. But, it is understood, the government stood ready to redeem all bonds held in the United States in gold. This, of course, would include any bonds sent across by Canadians, under fake sale, for redemption. One or two of the provinces, however, have encountered this issue, and while the facts are closely held at Ottawa, it is believed that the Federal government came to their assistance, rather than have a default registered against this country.

Expect Late Start in Maritime Cutting

From Our Own Correspondent

MONTREAL.—A late start is expected in pulpwood-cutting in New Brunswick and Nova Scotia this winter. Indications are that little pulpwood will be cut before the end of October, whereas in former years a start was usually made in September.

Most of the operators are cautious about operating this winter on account of general business conditions and the slump in pulp production. N. B. International Paper Co. will cut for its Dalhousie mill in the counties of Restigouche, Northumberland, Madawaska.

Fraser Companies will cut on their holdings in the counties of Madawaska, Victoria and Restigouche for their Edmundston mill. Whether there will be cutting for the Chatham mill has not been revealed.

Debts Adjustment Theme of Conference

From Our Own Correspondent

REGINA. — According to Hon. Howard McConnell, Provincial Treasurer, plans are under discussion between the Provinces of Saskatchewan, Manitoba, Alberta and British Columbia for a conference designed to bring about a general and uniform scheme of adjustment between debtors and creditors. It is intended to invite participation on the part of banks, loan companies, implement agencies and retail merchants' associations.

LAKE SHORE'S NEW PROCESS IS ANNOUNCED

Important Addition to Gold Recoveries Indicated

FLOTATION USED

New Development Means Increased Earnings by Cutting Tailings Losses

Lake Shore Mines is now equipping its entire mill to accommodate a new metallurgical process that has been experimented with secretly for the past few months, Harry Oakes, president of the company, told The Financial Post. The results realized in the 200-ton test unit used indicate an important step toward higher profits, since the new process recovers a high percentage of the gold locked up in the tellurides and formerly lost.

Followers of Lake Shore will regard the news of the decision of the management to install the necessary equipment in the big plant, which itself was only completed less than a year ago, as of the greatest importance.

All producers in the Kirkland Lake camp have experienced difficulties in making a high gold extraction, such as is possible in the Porcupine camp, owing to the nature of the Kirkland Lake mineralization, which carries important gold values in the tellurides. Telluride is a compound of tellurium, a tin-white element with a metallic lustre, with which other elements are associated, often gold and silver as is the case at Kirkland Lake.

Guess-work Eliminated

Most of the mines in the Kirkland Lake area do not state their losses in tailings, but they are known to be relatively high. Wright-Hargreaves, for instance, last year showed this loss to be $1.17 per ton, and at some of the other mines it is known to be much higher. When it is realized that Lake Shore is treating close to 900,000 tons of ore annually, the recovery of even $1 more per ton of ore becomes of the greatest importance. A saving of $900,000 per year is expected from this source, or the equivalent of 45 cents per share on the outstanding capitalization.

Mr. Oakes declined to comment on what he thought the new step would mean for Lake Shore, leaving it to be inferred that he would rather await actual demonstrations on a large scale before expressing an opinion. He said, however, that the forthcoming annual report would make reference to what had been accomplished by the experiments. The fact that the company has decided to incorporate the new development after a practical demonstration by a 200-

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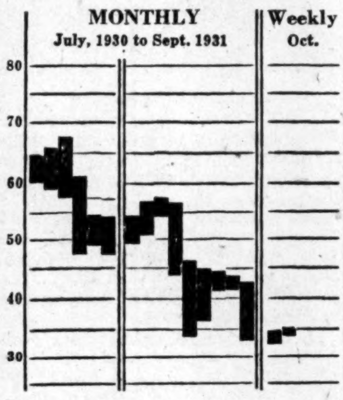
Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of Oct. 13	34.9	33.7
Week of Oct. 6	34.6	32.7
Month of Oct., 1930	60.7	48.4
8 Bank Stocks		
Week of Oct. 13	216	216
Week of Oct. 6	216	216
Month of Oct., 1930	258	246
10 Public Utilities		
Week of Oct. 13	58	57
Week of Oct. 6	58	55
Month of Oct., 1930	91	80

REVENUES FALL; NATIONAL DEBT RISES SHARPLY

Government Cuts But Three Millions from Expenses

SPEND ON CAPITAL

Government Works and Relief to Pile $140,000,000 on National Debt

From Our Own Correspondent

OTTAWA.—With six months of the current year gone, it is becoming increasingly apparent that despite rigid economy, curtailment of services, and increased taxation, the Bennett Government will meet Parliament next spring with a large deficit.

Moreover, the Canadian National Railways, like a millstone tied to the neck of the administration, will compel a direct increase in the public debt. Other factors, also, will force up the debt. These are unemployment relief and capital works.

The year now at the half way point will be one of disappointment to Prime Minister Bennett. A large deficit, a heavy stepping up of debt — these twin banshees of every Finance Minister, cannot be exorcized.

Nevertheless, an analysis of Federal expenditures proves conclusively that Mr. Bennett is fighting desperately to effect ordinary, everyday economies at least. Actually, he has reduced ordinary and special expenses by more than $3,000,000 in the past six months. Where the figures run into scores of millions, they may seem trifling, but seldom if ever before has a Finance Minister done as well. Mr. Bennett has saved this money by resisting vigorously every expenditure not absolutely necessary at this time. He has carried his economy campaign from the highest to the lowest officers of the state. These millions which have been saved are the sum total of hundreds of small economies, hundreds of demands for money refused.

The deficit is the result of the lack of improvement in business. The new taxes upon which Mr. Bennett relied for $78,000,000 additional millions, have failed to accomplish their objective. In comparison with the first half of last year under the lower scale of taxes, Mr. Bennett is down more than $30,000,000 of ordinary income.

As nearly as the situation may now be appraised, the position of the Federal government is this:

Mr. Bennett last June, budgetted for a deficit of $7,000,000. In the first six months of the year (ended September 30 last), Mr. Bennett is running at least $20,000,000 behind his schedule. Failing an improvement in business in the remaining six months, he will have a deficit of not less than $45,000,000. If conditions improve, the deficit may be cut down to $30,000,000. But this figure seems to be the rock bottom, Mr. Bennett cannot hope for better results.

Capital Charges Heavy

This is the position in regard to current expenditures and revenues. In addition, the Government has enormous capital expenditures to face. In his budget Mr. Bennett contemplated, exclusive of railways and unemployment relief, spending $18,000,000 on capital account. This was a curtailment in comparison with preceding years, and it is unlikely any economies in this regard will be effected.

Further, there are the unemployment relief work. Last year Mr. Bennett spent roughly $12,000,000, out of the vote of $20,000,000, on public works, and all of these works were undertaken jointly with the provinces and municipalities. This year, the Federal government has formulated a large programme of purely Federal relief works, and, in addition, a new and greater series of joint undertakings will be begun. Therefore, the relief work will cost the government at least $25,000,000 and, on top of this the drought stricken area of the west will need $20,000,000.

Before coming to the railways, therefore, Mr. Bennett must take care of at least $60,000,000 on capital account. This year the National Railways will be unable to pay the fixed charges due the public—$51,000,000—and large annual deficits, such as occur in the Maritime section and on the steamship end of the railway company, will run the cost of the system to the country to more than $60,000,000 plus the interest on government advances or more than $100,000,000 in all. And this fails, entirely, to take account of new capital expenditures on the National Railway. In the past such expenditures rarely have fallen below $50,000,000 per year. But the government has been trying desperately to reduce the outflow of money. Stoppage of work on the Montreal terminal is an indication of what is happening.

Making every allowance for economies in new expenditures, the National Railways will require at least $20,000,000 from the government this year.

Totalling these capital expenditures yields the astounding total of $140,000,000. This is an enormous amount of money for any government to find at this time. With bond markets as they are; with Canadian currency at 10 per cent discount in New York, the position of the government is harrassing in the extreme. And even if the bond markets were favorable, the net result

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Canadian Workers Milked of Millions By Loan Shark Firms

A few months ago a kind-hearted man in Toronto, endorsed a note for a friend. The note fell due and the endorser was forced to borrow money on his car to meet the obligation he had assumed. He went to an apparently reputable automobile loan finance company in the city and negotiated a loan for $254, against which the firm took a chattel mortgage on his automobile.

By the time the loan company had deducted all its so-called "interest charges," "fees," "commissions" and so forth, the net proceeds of the loan were reduced to $180 from which the borrower had to pay $13.30 for fire and theft insurance on his car. Assume however he got $180, what will this money cost him?

By the terms of his contract he is obligated to pay $25.40 every month for ten months until the gross amount of the loan is repaid. This means that he will pay $74 for the use of $180 which, if he were to have the $180 the full ten months would be at the rate of a little over 49 per cent per annum.

Total Cost About 135 Per Cent

But it is obvious that he will have the use of this $180 for nothing like ten months, for the entire loan will be paid back in ten months and after the first month he will have the use of only $180 less the $25.40 he has paid as his first installment, or $154.60. At the end of the second month he will have outstanding only $129.20 and so on, until he eventually builds up a credit of $48.60 at the end of the ninth month. This means that his average loan over the ten-month period has been only $65.70, for which he will pay $74 which amounts to approximately 135 per cent per annum in simple interest.

Unusual? Exorbitant? On the contrary it is one of the commonest transactions in the everyday life of every Canadian city. Look up the county clerk records in any Canadian municipality and you will see hundreds of such transactions going through. In Toronto alone the volume of such business in a year is estimated at over $15,000,000. The loan shark who put through the actual deal outlined above, is putting through scores of similar deals every week. He operates on one of the busiest thoroughfares in the city and advertises his automobile loan business throughout the city.

What are we going to do about it?

Thinks Canada Years Behind Times

An outstanding United States economist who has been closely connected with small loan legislation in the United States, visited Canada this summer and was astounded that Canada has done little toward stamping out the iniquities of letting small loan sharks prey upon thousands and thousands of honest Canadian citizens who—in many cases, through no fault of their own, are forced to raise $50, $100 or $200 in a hurry and can get no satisfaction or accommodation at the hands of our Canadian chartered banks. He believes we are ten years behind the times in not safeguarding the wage-earner and salaried man against this iniquitous highway robbery which is practiced open-handedly under the very eyes of the law and in direct defiance of all our laws of interest and usury.

In the United States through the efforts of the Russell Sage Foundation and other philanthropic bodies, uniform small loan legislation has now been enacted in between 25 and 30 states and by this means honest, legitimate personal loan finance companies and industrial banking concerns have been encouraged until today they do a volume of business estimated at approximately $2,600,000,000 per annum. This business is not only profitable to the individual companies but it provides loans for something like 15,000,000 borrowers a year, at rates that are both sufficient to make operations profitable and yet which are reasonable to the borrower in view of the risks involved in this type of business.

In Canada already we have what might be called "permissive" legislation whereby a legitimate concern can apply to the dominion

(Continued on page 3, col. 2)

Would Welcome Probe Into Gasoline Prices From Coast to Coast

Leading Oil Executives Say Profit Margins Lowest in History

CHAOS ACROSS LINE

Duty Protects Canadian Industry Against Insolvency Prices—Five-Year Record Good

Leading Canadian oil refiners and distributors, The Financial Post is informed by a responsible official high in the industry, would welcome as complete and searching an investigation on a Dominion-wide scale into the prices charged and the profits made by the petroleum industry in Canada as can be instituted, provided that the enquiry is conducted by a competent and impartial tribunal empowered under Federal auspices to study the problem as it affects Canada as a whole and in every representative part.

Certain organized agitation appears to be developing against the increased protection given the industry at the emergency session of Parliament in 1930. Leading executives advised a representative of The Financial Post that profit margins have never been so narrow in the history of the industry in Canada and that prices compare favorably with any set of prices old or new except the bankrupt prices for gasoline obtaining where United States stocks are being liquidated at any price.

"It is, however, not claimed that we can sell gasoline for as low a price as those refiners in the United States who are selling because they have to obtain cash at any sacrifice," said an executive of one of the large companies.

"Much depends on what those who ask for an investigation want. If they wish to have all protection wiped away so that 'distress' gasoline can enter Canada freely they may probably get cheaper gasoline for a time at the expense of having the entire Canadian refining industry shut down. Gasoline might be cheaper for a time and then would be higher than ever. If, however, they think that Canadian refiners and distributors are making exorbitant profits or that we are taking advantage of the tariff to raise prices, they are wrong. Exactly the opposite is the case. Prices have been lowered in the face of higher duties, and wherever costs can be lowered because of the increased volume made possible by shutting out the products which would otherwise be dumped in this market, the public will, in the future as in the past, be given the advantage.

"We believe that most Canadian users of gasoline and other oil products understand this. But we consider the position of the Canadian industry so nearly impregnable so far as good faith in the prices charged the public is concerned that we would welcome an investigation. Every facility, I am sure, would be given by

(Continued on page 2, col. 5)

'Bridge' Interested In E. Canada Steel

From Our Own Correspondent

MONTREAL.—Reports that Eastern Canada Steel and Iron Works, recently awarded substantial bridge work contracts, is a direct subsidiary of Dominion Bridge Co. are a trifle misleading. Officials of Dominion Bridge Co. admit that the company has an interest in the Quebec firm, but state that Eastern Canada Steel is an entirely separate entity, operating its own shop and dictating its own policies.

The Quebec company was recently awarded a contract for the approach structures of the new Isle d'Orleans bridge together with an order for the Chicoutimi bridge. A sum of around $400,000 is said to be involved.

Tomatoes Sell At Low Prices; Volume Small

With a substantial pack of tomatoes recorded for the present year, in view of the hold-over from last season, canners are selling standard 2½'s at prices considerably under those prevailing in 1930 although it is understood that there is no great volume of selling since buying is of the hand-to-mouth variety. Prices are believed to be well under cost of production, however, while cuts have also been made in the higher grades.

The situation is regarded as unfavorable from both the canners' and the growers' point of view. The canners have been able to get a high quality pack but large quantities of tomatoes have been left in the fields. In former years the small independent canners have been able to sell a good proportion of their pack by this time but this condition does not prevail at present and it is believed that a number of the small independent canners have been forced to sell their product and that this accounts for decline in prices.

Near the end of October, 1930, the price of standard grade tomatoes per dozen No. 2½ tins was from $1.37 to $1.40 to the retail trade, whereas prices were recently around 80 to 82 cents. Choice grade tomatoes quoted at $1.47 to $1.50 in October, 1930, recently sold around $1.05. Peas have been more stable in price, No. 4 standards recently selling at 85 cents a dozen the same as in October, 1930. Prices to wholesalers and chain stores for large orders are, of course, still lower.

OTTAWA LIGHT EARNINGS GAIN FOR 8 MONTHS

Balance Sheet Position Has Improved During Year

NO BANK LOANS

Generating Capacity Increased—Outlook for Full Year Encouraging—Consistent Gains

From Our Own Correspondent

MONTREAL.—Unless there is an unforeseen slump in revenue in the remaining months of the year indications are that earnings of Ottawa Light, Heat and Power Co. in 1931 will exceed those of last year by a fair margin. Gross revenue has shown steady gains in the past seven years and net earnings, with the exception of one year, have followed suit.

Both gross and net in August were higher than figures reported in the same month last year while surplus after all charges for the eight months ended August 31 exceeded that of the corresponding period in 1931. The increase in earnings has been consistent; it will be remembered that profits in the first four months of 1931 were ahead of those of the same months in 1930.

Is Encouraging Showing

The showing may be considered encouraging in view of the declines which have been recorded in earnings of many companies during the current year. Utilities as a whole have been slower to reflect the business trend, but even these in one or two cases have felt the effects of lower demand for their output in recent months.

The betterment in Ottawa Power's revenue is in part a reflection of increased generating capacity. An additional 3,500 horsepower was added to one of the company's stations last year while its gas plant has also been enlarged. To reimburse the company for expenditures made on capital account, Ottawa Power issued an additional $1,000,000 5 per cent bonds in June this year which brought the amount of this issue outstanding to $4,124,000. There are also outstanding two other issues of subsidiary companies totalling $775,000.

Balance Sheet Improved

This financing has found reflection in the company's balance sheet position and it is understood that at the end of August there were no bank loans outstanding while working capital had been materially strengthened. At the end of 1930 bank loans totalled $432,271, while working capital was $73,824.

Stable conditions in the territory served together with the firmly entrenched position which the company occupies are factors which have contributed to the steady progress of Ottawa Power. The company itself is a holding organization formed in 1906, but its operating subsidiaries, Ottawa Electric Co. and Ottawa Gas Co. were formed in 1894 and 1854 respectively.

Has Hydro Competitor

The electric company operates in competition with a municipally owned hydro. Despite the operation of these two electric systems in Ottawa, the privately owned company has been able to maintain and gradually strengthen its position; distribution system has been steadily extended and generating capacity has been increased.

Practically all the power requirements of the company are generated at Chaudiere Falls on the Ottawa River. This is only a short distance from the business centre of Ottawa itself, a factor which works in favor of the company

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VANCOUVER SHIPS 35 P. C. OF GRAIN LEAVING CANADA

Westward Routing Has Greatly Lowered Volume Via U. S. Ports

From Our Own Correspondent

VANCOUVER.—With seven elevators in operation this port is now exporting 35 per cent of Canada's grain, according to S. S. McKeen, president of the Vancouver Merchants' Exchange. Thirty-three per cent of the total wheat shipments of Canada are exported from other Canadian ports and 31 per cent from United States ports.

"Vancouver is solely responsible for the breaking up of the American domination of Canada's grain export business," said Mr. McKeen. "There was a time not so long ago when the United States handled 57 per cent of this country's wheat exports, but by routing a large proportion of the crop westward we have placed the American ports in a distinctly inferior position. As time goes on, I think you will find a growing proportion of Canada's wheat exports being handled by Canadian ports."

Vancouver grain men are still working for an objective of 100,000,000 bushels of wheat exported this crop year. If this is attained it will mean that additional inroads have been made upon the percentage handled by American ports.

Grain shipment from Vancouver began in 1921 when 500,000 bushels were handled. Nine years later the amount shipped was 63,000,000 bushels. In 1928 shipments aggregated 97,000,000 bushels, so that the 100,000,000 bushels now being worked for would constitute a record.

Export of flour from Vancouver has already increased greatly during the last few years, especially to China. Depreciation of currency has cut this business in half this year, however. More than a million barrels of flour were shipped through this port to China last year.

NATION'S BUSINESS

(Continued from page 1)

going to the other extreme has proved crushingly expensive.

* * *

Opportunities by the Atlantic

THE will of Hon. Frank Stanfield, woollen and knit goods manufacturer, and lieutenant-governor of Nova Scotia, reveals that Mr. Stanfield's estate was worth at least $2,100,000.

An estate of two million dollars or more is no mean competence. Very few Canadian business men ever make that money, even in two generations for there are two generations back of the Stanfield business. Yet this fund is the product of a business that was started in the Maritime provinces and that has always remained there. When Frank Stanfield died, his family residence was on the very street where he was born. The tiny woollen mill, started by Charles Stanfield in Prince Edward Island, has for the business life time of two generations been located on the same site in Truro, Nova Scotia. It had grown every few years. Its business had reached out to cover every province. But every addition to the plant has been built in the Maritimes. Whatever may be claimed for the Central Provinces as advantageous locations for industrial plants, they never had sufficient appeal to either Frank Stanfield or his brother John to move their plant from their home province. Stanfields went on manufacturing in the Maritimes and training their own employees, recruited from the farms and towns of their home area.

What an inspiration the record of Stanfield's must be to other Maritime Province business men and to the youth of that part of Canada.

* * *

Another Ross for Ontario

NEWSPAPER opinion in Ontario has generally reacted favorably to the unofficial suggestion that P. D. Ross, proprietor of the Ottawa Journal, may be the next lieutenant-governor of Ontario. This is not only because the members of the press would feel honored to have one of their number recognized in such a way but because there is a sincere conviction that Mr. Ross's public record merits such an appointment. It would be difficult to find a man more deserving of this honor or who would fill the position more capably. As publisher of the courageous, constructive Conservative newspaper that has never lost its independence in a city where politics is the breath of life, he has been an important factor in Canada's national life over a long term of years.

Among the tributes to Mr. Ross is one from his opposition—the Ottawa Citizen. Ottawa is fortunate in its two newspapers. The Citizen, under the Southam's, has been an influence for good in national life. If in every centre in Canada the daily newspapers showed the same high sense of public responsibility, public opinion in this country would be better informed, less prejudiced and more intelligent.

Ontario might well have two Rosses in a row to perform the useful functions of the occupant of Chorley Park.

May Buy More Coal from West if Dollar Stays Low

Larger orders for western coal may be placed by the C. P. R. if the depreciation of the Canadian dollar continues south of the border, according to a statement of E. W. Beatty, president of the C. P. R., made to the Edmonton Journal.

Mr. Beatty said that at present the C. P. R. is using western coal as far east as Kenora, and indicated that if the heavy depreciation of the dollar across the line continues it would not be advisable that the company should carry such a handicap in obtaining supplies. Ordinarily, however, the policy of importing coal for certain eastern areas is economical.

Ship Apples to London

Fruit growers of the Okanagan have gathered 150 boxes of apples for shipment to London, England, for exhibition purposes. It is planned to select this fruit carefully, by hand, and wrap and crate the apples individually in a manner similar to that used in shipping eggs.

REVENUES FALL; NATIONAL DEBT RISES SHARPLY

(Continued from page 1)

would be to add about $7,000,000 to the debt charges, cutting into current expenditures to that extent annually.

Having regard to the sharp increase in taxation last June, the revenue figures for the first half of the year are of special interest.

In his budget, after announcing the new taxation, Mr. Bennett gave an estimate of what the revenues would likely be for the current year.

On a six month basis, Mr. Bennett expected $199,625,500. He got $178,975,183. Revenues failed to measure up by $20,650,317.

There has been a loss all along the line, but the chief failure to earn has occurred with the 4 per cent sales tax.

Detailed revenue figures are only available for the five months ended August 31. Here are Mr. Bennett's estimated revenues, and actual receipts, both worked out on the five month basis.

	Estimated	Received
Customs	$ 50,825,000	$ 49,558,000
Excise duties	24,791,665	22,289,000
Excise taxes	41,250,000	18,151,000
Post office	13,614,580	11,387,000
	$130,481,245	$101,385,000

The income tax is not included for the obvious reason that it is paid in the early months of each fiscal year. Mr. Bennett estimated income tax revenue at $63,500,000. So far the receipts are only $47,704,000, and the total is not likely to exceed $55,000,000.

Miscellaneous taxes, include: the Grain Act, the Canada Gazette, hard revenues, light and gas inspection, fines and forfeitures, insurance inspection, radio licenses, patent and copyright, interest on investments (foreign loans, etc.), weights and measures, and public works. These receipts usually net about $20,000,000. No figures for this year are available, but the earnings of the government from these sources have increased, and, to some extent, have compensated for the loss in ordinary revenues.

Expenses Cut Little

Taking the figures on expenditure, it becomes apparent immediately that the government is weakly placed to reduce the outflow of money quickly.

Mr. Bennett estimated his expenditure this year at $391,552,085 ordinary, and $38,905,743 special. This was a cut of $10,000,000 from the preceding year.

On ordinary account so far, only $167,663,305 has been spent which is about $28,000,000, less than one-half of Mr. Bennett's estimate. But, unlike taxes, the expenditures cannot be worked out on half yearly or monthly averages. Every year Federal expenditures in November due to interest payments, are very high—about $25,000,000 higher than in other months. So that the apparent gain is quite illusory. Mr. Bennett has succeeded in whittling down current expenses by about $3,000,000, which is no mean feat. Any Minister who in six months can trim $3,000,000 out of the cost of Government, without injuring any single service, is a man of persistence and courage. This saving represents hundreds of individual battles, for the items comprising it probably did not average $5,000 each.

See Heavy Debt Increase

In these circumstances heavy increase in the national debt is inescapable. Regardless of bond markets, or exchange, the Federal government needs large sums of money, only to be obtained by borrowing. There must either be a large Dominion issue in the next few months, or the government will borrow from the banks on treasury bills, and carry on until conditions improve and large scale borrowings at reasonable interest rates once more becomes possible.

The national debt—the net debt not the gross—now stands at $2,259,000,000. This is an increase of $114,000,000 over one year ago. Further additions to it are inescapable, but even so, the ground gained in the last decade has not been lost. In 1924 the net debt was $2,418,000,000.

Despite the strain on the national exchequer, despite deficits and borrowings, the Dominion has a good margin over its position seven years ago.

SHAWINIGAN PROFIT TREND ON LOW BASE

(Continued from page 1)

Shawinigan Falls and other smaller industries. In addition the largest individual contract held by Shawinigan was renewed when the company signed a contract with Montreal Light, Heat and Power Consol. in December, 1930, for a term of 36 years under conditions satisfactory to both companies.

The decline in the load factor has given Shawinigan plenty of power to take care of new demands. At the end of last year, it had available 828,625 h.p. Of this total, its subsidiary, Quebec Power, controlled 43,325 h.p., while 100,000 h.p. was purchased from the Duke-Price Power Co. and 10,000 h.p. from Southern Canada Power and the balance produced in its own plants. Early in the current year a new unit of 30,000 h.p. was brought in at the La Gabelle plant, bringing the amount of power available up to 858,625 h.p.

At present the company has under way two schemes which will provide sufficient power for many years to come. The first is the initial development of the Upper St. Maurice River at Rapide Blanc, which will be equipped to produce 167,000 h.p. It had been originally planned to bring this power in early in 1932, but it is unlikely that power will be available until some time during 1933.

The company also has made application to carry out a comparatively small development on the Upper St. Francis River. This covers the construction of a new dam which will increase the potential power development of the St. Francis Water Power Co. from 4,350 h.p. to 14,000 h.p.

In summarizing prospects for earnings this year, the final result will depend largely upon income from the company's investments. The income account of Shawinigan does not segregate revenue received from its holdings in Quebec Power, United Securities, Shawinigan Chemicals and other controlled or allied enterprises.

United Securities this year, for the first time, is paying dividends on its common stock; the income from this source will be doubly welcomed. Offsetting this favorable factor, however, is the lessened activity of Shawinigan Chemicals. This is a war-time enterprise which has developed into an important money-maker for the parent company. It is generally understood that Shawinigan has not directly benefitted from this enterprise in the way of dividends, as profits have been put back into plant.

Other investments of Shawinigan, principally Quebec Power, have not undergone any radical change this year. Revenue from investments, however, is unlikley to compensate Shawinigan for the drop in its own operating profits.

WOULD WELCOME PROBE INTO GASOLINE PRICES

(Continued from page 1)

the various companies and I am convinced that the findings could be only in our favor. No Canadian industry has tried to give a better 'break' to the public than has the petroleum industry.

"The Ontario Government six years ago had an investigation made of the oil business in the province just to determine whether or not refiners and distributors were taking advantage of existing duties to charge more than they should for gasoline and other oil products. They asked Mr. G. T. Clarkson, whose reputation for probity and thoroughness is above reproach, to conduct that inquiry. He had access to the books and to all information in the possession of the principal companies and he studied comparative prices in Ontario, the relation of these to all the costs accruing from the crude oil in the Mid-Continent fields to the price at which consumers purchased and how these compared with United States figures. His main findings were that gasoline prices charged in the years from January 1, 1920 to July 31, 1925, with all their fluctuations, were fair and reasonable. When 'distress' gasoline was being offered in the United States for a time Canadian prices would seem a little out of line, and when such a period passed, it would be found that Canadians were being given a little the best of it. As I remember it, that was about his general view.

"The situation now, however, differs widely from then in that the margin of profit has been steadily declining and prices charged dropping. The industry has ramifications far beyond provincial boundaries where it is difficult for a provincial investigating body to follow. We would welcome an investigation on a Federal basis with the investigators having power to investigate every phase of the industry relating to price, but we would be inclined to think that it would be a mistake to have provincial investigations. Our Federal inquiry could cover every angle of the business while nine provincial commissions would be burdensome to all operators, requiring similar information to be given again and again, and resulting in a great deal of expense which should be saved. If an investigation is desired, we would like it to be as sweeping and conclusive as possible. But we have no doubt as to what an impartial commission would find."

Crude Oil Imports Gain

Statistics gathered by the Dominion Bureau of Statistics for the period subsequent to that covered by the Clarkson investigation for the Ontario Government, apparently indicate that the industry has been operating on a continually declining margin of profit though the largest and best-run companies made up for this by increased volume in some years. Cost of crude oil on the whole showed a downward tendency to the end of 1930 and fell still further in the first half of 1931 though recovering in part about mid-year. The following table shows the growth in the utilization of crude oil and its cost f.o.b. refinery in Canada, both in bulk and per Imperial gallon:

Crude Oil Purchases

	Volume in I. G.	Cost	Cost per I. G.
1926 ..	585,466,329	$47,070,281	8.04c
1927 ..	716,369,890	49,160,086	6.862c
1928 ..	849,933,770	53,064,458	6.248c
1929 ..	1,073,268,971	72,127,257	6.27c
1930 ..	1,064,434,974	67,640,975	6.354c

Gasoline Production Increases

The volume of gasoline, measured, in Imperial gallons, produced from this crude oil in the same years is shown in the following table:

Gasoline Produced and Sold (In Imperial Gallons)

	Volume in. I. G.	Selling Value	Sales Price per I. G.
1926 ...	222,146,704	40,467,868	18.226c
1927 ...	268,549,724	35,173,848	13.604c
1928 ...	344,129,861	52,228,842	15.177c
1929 ...	436,620,614	63,502,116	14.544c
1930 ...	445,599,417	60,789,572	13.642c

Margin for Profit Lower

The difference between the cost price per gal of crude oil and the selling price per gallon of gasoline, both f.o.b. refinery, for the years under review are therefore as follows: 1926, 10.84c.; 1927, 6.742c.; 1928, 8.934c.; 1929, 7.824c.; 1930, 7.288c. Refining costs, including overhead and losses, have to be absorbed out of this margin.

It is true that the principal refiners have a number of important by-products. But every extractive industry always considers one important product as the producing criterion and the petroleum industry as a whole considers all its costs with regard to gasoline. The by-products have sold per gallon for less than the cost of the crude petroleum laid down at the refinery. In the following table the volume and sales value of petroleum sold in other forms than as gasoline include losses:

By-Products From Canada (In Imperial Gallons)

	Volume of by-products except gasoline	Sales value f.o.b. refinery	Selling price per I. G.
1926 ...	363,319,625	$30,102,372	8.285c
1927 ...	457,820,166	28,806,501	6.292c
1928 ...	505,803,909	29,384,934	5.809c
1929 ...	636,648,357	34,882,064	5.479c
1930 ...	618,835,557	30,020,139	4.851c

Loses in By-products

The average selling price per Imperial gallon of all petroleum products obtained from crude oil other than gasoline, it will be noted, was higher than the laid-down cost of crude oil only in one year when the gain was .245c. a gallon. The loss in other years per Imperial gallon was as follows: in 1927, .57c.; in 1928, .434c.; in 1929, 1.241c.; and in 1930, 1.503c.;

Actually therefore the total volume of products of crude oil other than gasoline, as shown in the foregoing table, sold in 1926 for $890,133 more than the equivalent quantity of crude oil cost, and without charging any cost of refining against them.

In the following four years losses were registered, $2,609,575 in 1927, $2,195,189 in 1928, $7,900,806 in 1929 and $9,301,098 in 1930.

Deducting the 1926 gain in this department from the cost of manufacture there would be a total cost of manufacture, exclusive of depreciation on plant, of $12,186,095.

Similarly adding the losses on products other than gasoline in the following four years would raise the cost of manufacture to the following amounts for the whole Canadian industry; $15,900,087 in 1927, $16,407,728 in 1928, $23,793,472 in 1929 and $24,831,042 in 1930. This loss was a material factor in adding to costs; the cost of miscellaneous materials was higher in 1926 at $3,713,590 than in 1930 at $3,666,904; the cost of fuel and power at $3,859,683 in 1930 was not much more in view of the greater volume of products than $3,580,049 in 1926. The cost of labor, however, showed a steady advance from $3,580,049 in 1926 to $8,003,357 in 1930.

These figures indicate that for the whole industry the average cost of manufacturing each gallon of gasoline in Canada, exclusive of raw material, was as follows: 5.486 cents in 1926, 6.149 cents in 1927, 4.768 cents in 1928, 5.449 cents in 1929 and 5.572 cents in 1930. This cost would have been much lower in 1930 if the loss in by-products had not been added.

The gross profit per gallon of gasoline as it leaves the refinery, as calculated from the figures given after deducting manufacturing costs, would be as follows: 4.628c in 1926 per I. G., .593c per I. G. in 1927, 4.166c per I. F. in 1928, 2.375c per I. G. in 1929 and 1.716c in 1930.

Ignoring the value of the land, a write-off for depreciation on capital employed at the rate of 7 per cent increased costs of manufacture to the point where the costs for the five years under review would be as follows: 6.557 cents per I. G. in 1926, 7.100 cents in 1927, 5.492 cents in 1928, 6.066 cents in 1929 and 6.266 cents in 1930.

Profit One Cent Per Gallon

The net profit per gallon of gasoline therefore for the whole industry in Canada, according to these figures, amounted to 3.627c in 1926. There was a net loss in 1927 of .358 cents a gallon, a net profit in 1928 of 3.442c, in 1929 of 1.758 cents and in 1930 of 1.022 cents a gallon.

The total net profit for the whole Canadian industry as calculated from the figures of the Dominion Bureau of Statistics, was $8,057,260 in 1926 which was 14.26 per cent of the total value given capital employed in fixed and current assets of the industry. The net loss in 1927 was $925,608 which was 1.67 per cent of the capital employed. In 1928 the total net profit was $11,844,950 or 21.22 per cent of the capital employed. In 1929 the total net profit was $7,675,790, or 10.98 per cent of the capital employed, while in 1930 net profit of $4,554,026 was only 6.59 per cent of the capital employed.

During this period fixed assets in lands, buildings, machinery and tools increased from $34,022,808 to $44,173,620, inventories advanced from $21,131,638 to $23,696,590 and cash and receivables changed up and down being $1,322,003 in 1926 and $1,207,772 in 1930. The total capital employed therefore increased from $56,476,449 in 1926 to $69,077,982 in 1930 while the profit made on this amount dropped from 14.26 per cent to 6.59 per cent. In the current year to date, although figures are not available, this drop in net profit has been further accentuated.

Why Duty Went Up

The cost of manufacturing in the five years under review ran from a low of 5.492c an Imperial gallon to 7.1c per Imperial gallon. In 1925 Pennsylvania gasoline sold at 6.124c an Imperial gallon over the price of the crude, which more or less represents the cost of manufacturing in Canada. This differential in 1930 had dropped to one-third of a cent per Imperial gallon. The Pennsylvania people concentrated on lubricating oils, made gasoline a by-product and therefore wiped off nearly the whole manufacturing cost and sold it for practically the price of crude. That was impossible competition for Canadians, obliged to concentrate on gasoline as the main product, as is the case with the industry at large in the United States, and the government's duty of 2½ cents per Imperial gallon and its action in pegging the price above the well price of crude at 3.90c per Imperial gallon, or 6.40c altogether was meant to add only the cost of manufacture to such gasoline so that it competed on fair and even terms in Canada, representing solvent conditions in the United States.

For the five years ended December 31, 1929, Oklahoma showed a differential of 5.67 cents between crude and gasoline prices at refinery, North Texas 5.77 cents an Imperial gallon and California 7.65 cents or an average differential for the three fields of 6.37c as compared with an effective protection of 6.4 cents. The price of the crude in these three fields was much lower than in Pennsylvania but the differential between crude and gasoline sank in 1930 to 2.818 cents a gallon in Oklahoma and North Texas and to 4.646 cents in California. In Oklahoma and North Texas, by reason of the lower price for the crude, and the sacrifice of part of the manufacturing cost, prices were still lower in 1930 than in Pennsylvania. In 1931, as quarterly and semi-annual reports show, the large American companies had considerable losses as a result.

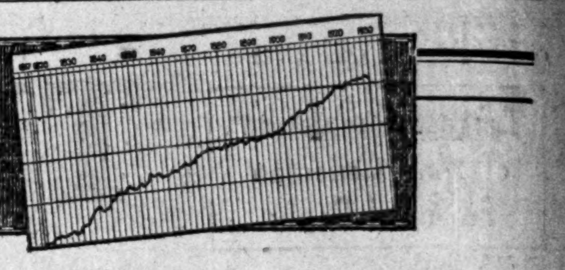
Imports of petroleum products for the first eight months of 1931 are 15 per cent down from the same period in 1930. This has helped the Canadian industry to run nearer to capacity than would have been possible otherwise. Refiners claim that the oil industry is as competitive in Canada as elsewhere and that there is now a narrower margin between crude costs and gasoline prices than at any time in the history of the industry. The United States industry is in a state of chaos and giving over the Canadian market to it would ruin the Canadian companies, the refiners and distributors state, and eventually lead to higher prices when many companies were eliminated through insolvency.

Prices Drop in West

Gasoline prices in Western Canada are now 2½ cents a gallon less than last year. There was no complaint last year but this year there have been political claims that gasoline should be lower. Kerosene prices are 9 cents a gallon lower than last year. There is a difference of 6½ cents a gallon between gasoline and kerosene prices. Kerosene prices were cut to the bone and the use has increased by leaps and bounds. This was done to aid the Western farmer who is able to use kerosene in his tractors and other farm machinery in place of gasoline. In Montana the differential between gasoline and kerosene is stated to be only 3 cents a gallon. In farm districts kerosene had advanced wherever gasoline had run down in total volume, and mainly because of this price differential. Lubricating oils to Western farmers have also been cut from 30 to 40 per cent. In 1930 farm credits reached between ten and fifteen million dollars and several millions still remain uncollected.

Earlier in this article it was calculated that the net profit per gallon of gasoline in 1930 through Canada was on the average 1.022 cents per I. G. This was by charging everything against gasoline. If the profit in Imperial gallons were estimated on all the products obtained from all the crude oil purchased it would work out at .40 or two-fifths of a cent per Imperial gallon for 1930. Gasoline and fuel oil together make up about 90 per cent of the total manufactures from crude oil and are about equally divided.

Some of the comment suggesting an investigation into gasoline prices in Canada arose from the advance of 1½ cents per gallon on August 25, 1931, after a sharp advance in the price of mid-Continent crude on August 22 and a similar advance of Turner Valley clear naphtha on August 25. The drop in the Canadian dollar further increased costs for crude oil desired by Canadian refiners. It is therefore claimed that all of the crude oil price increase has not been passed on.



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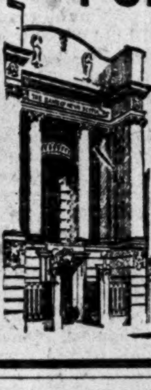

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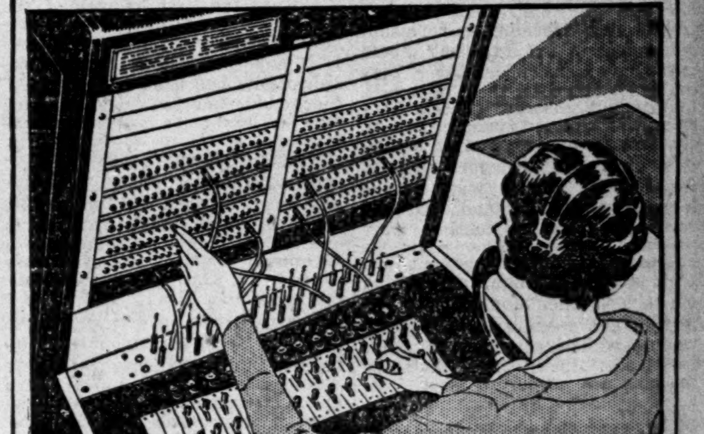

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FORD EARNINGS FALLING BELOW DIVIDEND RATE

Great Interest Evinced in Car Plans for 1932 Market

In line with general experience of automobile manufacturing companies Ford Co. of Canada is expected to show for 1931 considerable reduction both in sales of passenger cars for foreign and domestic account. As the depression works just as severely against the purchasing power of the company's principal foreign markets, the drop in revenue is expected to fall below dividend requirements of $1.20 a share on the common stock.

Common stock of Ford of Canada has been as low as 8½ within the last week and is now selling at more than 13, an indication that current market opinion on the future of the stock is growing more favorable. The company has a very strong financial position and it is altogether likely to share in the material expansion which can be expected in the next decade in the use of motor cars in Canada. The near term outlook is not quite so bright and there has been some unsettlement because of the exchange depreciation in dollars and pounds which has become such a factor of the business situation in the last few weeks.

Is Ford Planning Surprise?

As the Canadian company's plans and manufacturing policy will in essentials follow that of the parent company in the United States, considerable interest has been directed from Canada to events in the United States. But there exact information is also lacking as to the company's plans for new cars, and some concern is felt over the advancing aggressive plans of Chevrolet and other cars to attract the buyer who desires a car in the minimum-priced class. One new manufacturer is also expected on a large scale in this field.

However, Ford has never been without something surprising up his sleeve. No intimation as to what the next type of car will be has come out. Parts manufacturers are apparently getting ready to fill large-scale orders for Ford, but whether the new car will be a 6-cylinder, 8-cylinder or a vibrationless 4-cylinder is still a matter for gossip. A year ago gossip in the trade had it that a 6-cylinder or 8-cylinder car in the cheap car market would be Ford's contribution but the tendency now is to expect a 4-cylinder car in which vibration is greatly reduced. Some go as far as to say that the new car will be longer in body.

The present cars have enjoyed popular favor as indicated that the first full year after they were put on the market Ford of Canada earned $3.15 a share, the next year $1.90 a share and this year an uncertain amount. Many say that Ford is delaying announcement of new models so long as present car is doing well and also with the idea of choosing the psychological moment when men's minds become more confident as to the future.

Competing companies also have their plans for new models and these also would like to know what Ford intends. General Motors and Reo are expected also to invade the light truck line where Ford has been pre-eminent in the past. Completion of the great Dajenham plant in England by Ford Ltd., may reduce demand for certain parts from Canadian and Irish companies.

LAKE SHORE'S NEW PROCESS IS ANNOUNCED

(Continued from page 1)

ton unit, which was preceded by an extensive laboratory investigation, indicates that not much guess work is left as to what it will do by way of increasing recoveries, however.

Flotation Involved

W. H. Englebright, consulting engineer of Toronto, working in conjunction with the American Cyanimid Co. and others, is responsible for the development of the new process. Briefly, the treatment is to grind the ore in water and recover about 85 per cent of the gold by flotation, leaving the balance, or 15 per cent, to be treated by the regular cyanide process as has been the custom in the past.

The flotation concentrates is then ground extremely fine and given a special treatment with atomized air, high lime and cyanide, resulting in an over all recovery that is comparable with the highest obtained in the Porcupine camp.

The new process means the changing around of some of the mill equipment and making a substantial investment in new machinery. The principal equipment added has been the flotation cells with their accompanying motor-driven mechanism and the cyanide equipment for treating the concentrate.

It is stated the new equipment will not take long to install. After that will come the tuning up so that the increased recoveries and higher earnings are not far away.

Pulp and Paper Aids Port of Vancouver

From Our Own Correspondent

MONTREAL.—According to a report of the Vancouver Merchants' Exchange, production of paper and pulp in British Columbia is having a favorable influence on the port of Vancouver. Newsprint paper manufacture in British Columbia commenced in 1913 with an output of 46,000 tons which by 1930 had increased to 225,000 tons, principally exported to the United States, South America and Australia.

The production of wood pulp exceeds the local demand and a considerable quantity is exported, principally to Japan, United Kingdom and United States.

There are eight mills in British Columbia manufacturing pulp and paper, of which five are presently operating. The combined capacity of the mills is 1,015 tons a day of paper, and 440 tons a day of pulp.

Export shipments of pulp and paper from British Columbia ports during 1930 totalled over 275,000 tons compared with a total of 250,000 tons in 1929.

Canadian Workers Milked of Millions By Loan Shark Firms

(Continued from page 1)

government at Ottawa and, under the supervision of the superintendent of insurance, can obtain a special charter enabling it to make small loans at fixed rates. Unfortunately there is no restrictive legislation available which will force companies into taking out such a charter with the result that so far only two companies, namely, the Industrial Loan and Finance Corp. of Montreal and the Central Finance Corp. of Toronto have taken advantage of this opportunity. These two companies have been doing a growing business in the few years that they have been in operation but for every one loan that is put through under their aegis, there are probably fifty put through other agencies, most of which are at the outrageous rates quoted above.

Just here it is worthy of note that one company did apply at the last session of parliament to obtain a charter similar to that under which the two federal licensed companies operate, but due to an utter lack of appreciation of the situation by a well-meaning but uninformed House of Commons, the charter was refused. Also there are probably, in addition to those already mentioned, many automobile loan companies in various parts of the country which are attempting to run an honest type of business, although until some facilities are made available in Canada through which control can be made uniform and effective, it is doubtful if the general public can have any assurance that they are being fairly treated in this important matter.

Difficulty of Control Under Present Law

Fundamentally the difficulty of controlling this situation in Canada at the present time is the fact that while usury and interest laws are a federal matter, there is apparently nothing to prevent companies being incorporated under provincial letters patent and operating a loan business at any rates they see fit. In Ontario, for instance, there is a general law applying to usury but in it there is no mention of any specific rate and its provisions merely aim to provide redress in case anyone feels he has been unjustly treated by a lender. Actually however the law is of little or no use, for in the great majority of cases the last thing the borrower wants is publicity and redress can only be obtained by the borrower filing a complaint with the attorney-general and thus having his personal affairs aired in the public court.

None of us like to admit that we have had to borrow money and, particularly when we are in desperate straits, we are often willing to pay fairly liberally for the privilege of getting a few hundred dollars quickly. It is in just such an atmosphere as this that the loan shark thrives and grows rich on his ill-gotten gains. He knows that the chances of the transaction ever coming to light are very slim because of the natural reticence of borrowers to have their affairs given publicity, particularly in a court of law. He also knows that unless the actual transaction is taken to a court of law, there is virtually little or no legal machinery which, under our present system, can bring him to book.

Combined Action Needed

This indicates at once the need for combined action on the part of provincial and federal authorities to devise some way of meeting this situation. So far it has been allowed to drift to the great benefit of loan sharks and at the expense of the thousands of individuals who—particularly at times like these—are faced with the periodic necessity of financing the essential services of life, such as medical care, education, and other tangible necessities. There can be no question of the fact that it is becoming more and more realized that the individual in the business of running a family, must and should borrow on occasions, just like the manager of any other business; to consolidate his debts, to meet some unexpected emergency, or to finance some improvement that will establish him on a firmer financial footing.

So far Canada, in spite of the excellence of its chartered banking system in providing credit facilities for "producers" whether they be on the farm or in the factory, has not provided wide facilities for "consumer" credit although other countries have made very substantial strides in this connection.

A second article will appear shortly.

TURNER VALLEY SEPT. OIL FLOW 66,596 BARRELS

Curtailed Market Accounts for Decreased Output

Total production of petroleum from the Turner Valley field, in Alberta, as marketed to the Imperial and Regal refineries in September, was 66,596 barrels, as compared with 66,794 barrels marketed in August.

At the Imperial refinery production accepted was based on one-half of that marketed last June. This curtailment accounts for the principal part of the decline. During September the Southern Lowery No. 3 well came into production and marketed 2,183 barrels.

The following is a tabulation of the production from the different wells as delivered to the Imperial and Regal refineries:

Imperial Deliveries	
Crude Naphtha	Bbls.
Royalite 7 and 12	585
Royalite 8, 11, 13 and 20	2,458
Royalite 14	216
Home 1	587
Home 2	477
Home 3	779
Home 4	588
Lowery Pete 1	664
Southwest Pete 1	771
Mercury 1	4,888
Miracle 1	2,431
Total	14,444
Discolored Crude Naphtha	
Royalite 8, 11, 18 and 20	355
Royalite 14	1,200
Royalite 19	1,653
Royalite 21	525
Royalite 23	2,408
Royalite 24	10
Royalite 25	1,538
Advance 5-A	990
Associated 1 and 2	693
Baltac 1	208
Dalhousie 7	853
Foothills 1	1,585
Foothills 2	578
Hargal 1	291
Mayland 1, 2, 3 and 6	6,211
Merland 1	1,888
Southern Lowery 1	8
Southern Lowery 2	4,045
Southern Lowery 3	2,183
Sterling-Pacific 1	576
Southwest Pete 1	50
A.P. Con. 1 and 2	217
Calmont 2 and 4	398
Commonwealth 1	1,019
East Crest 1	385
East Crest 2-A and 3	4,953
Mercury 1	1,721
Mercury 3	2,271
Mill City 1	100
Richfield 2	474
Structure 1	1,487
Total	40,873
Crude Oil	
Dalhousie 5	832
Home 1	46
Home 2	123
Model 1	5,015
Total	6,016
Total Imperial Deliveries	
Crude naphtha	14,444
Dis. crude naphtha	40,873
Crude oil	6,015
Total	61,333
Regal Deliveries	
September	5,163
Combined Total	
Total for September	66,596
Total for August	66,794
Total July	90,248
Total June	113,429
Total May	118,614

OTTAWA LIGHT EARNINGS GAIN FOR 8 MONTHS

(Continued from page 1)

where transmission costs are concerned. A steam standby plant is also maintained, while additional power is purchased from other local producers. Satisfactory gains in residential and commercial lighting were recorded last year though industrial power sales did not expand as greatly as might have been desired on account of general business conditions.

Industrial Gas Sales Grow

The gas company has made progress in its sales of gas for industrial purposes, results in this connection were encouraging in 1930; domestic sales have been restricted to some extent by the continued sale of electric stoves. However, mains were extended last year as a result of continued demand for house heating needs.

Despite the fact that working expenses increased on account of water conditions which entailed larger purchases of power and increased operations of the steam plant net earnings of Ottawa Power in 1930 amounted to $681,445 compared with $664,748 in the previous year. After interest and depreciation charges, net profits were $328,593 an increase of about $7,000.

The dividend on the $97,500 of preferred stock was earned over three times and common share earnings were $6.60 on the $3,500,000 of stock outstanding. This compared with $6.39 a share in 1929. The common has never been split and dividends have been paid regularly since 1910, with the present 6 per cent rate inaugurated in 1916.

Add to Facilities

An additional auxiliary transmission line to serve the Kirkland Lake camp is planned. The necessary clearing has already been completed and preliminary work on the line is stated to be well advanced. A new outlet for power sales is seen in the Aldermac mill, now under construction, which is expected to be completed during November.

In the merchandise department, sales for the year ended August 31 have been satisfactory. Appliance sales have a value of $92,651 compared with $75,326 during the corresponding period last year.

Set New Record

A combination of these factors resulted in the establishment of a new output record for the corporation in August this year. Production in that month was 35,632,200 kw.h., compared with 30,885,520 kw.h. in August, 1930. In a letter which accompanies dividend cheques being sent to preferred shareholders, it is stated that a record year's business is assured.

In 1930 gross revenue of the company showed an increase over 1929 but net earnings at $2,160,477 were lower by some $18,000. Net profits were equal to nearly twice preferred dividend requirements and earnings on the common stock were equal to 71 cents a share.

Plans Fixed to Lengthen Life of Lake Erie Fisheries

From Our Own Correspondent

BUFFALO.—The investigations and reports of the last two years on the alarming decline of fish life in the Great Lakes reached the stage of decisive recommendation at a meeting of the Great Lakes Fishing Conference in Buffalo on Oct. 12. Representatives of the conservation departments of both the New York and the Ontario government were present and agreed with the conclusions. The proposal is that the use of the bull net for commercial fishing in Lakes Erie and Ontario be prohibited. The experts found that the bull net with meshes extending to a depth of 24 feet, snares thousands of immature fish and thus destroys fish life unwarrantably. Suggestions that the fishermen be required to turn over to government hatcheries, free of charge, the spawn which they capture were thought not to offer sufficient safeguard. That plan has been tried in some states, but the carelessness of fishermen has made it ineffective. Use of the bull net now is forbidden under the laws of Pennsylvania, Ohio and Michigan, and it is expected that similar restrictions will be enacted by New York and Ontario to take effect on Jan. 1, 1933.

Oxford Paper Ships Wood from Cape Breton Island

From Our Own Correspondent

MONTREAL. — The Oxford Paper Co. which has timber land leases on Cape Breton Island, has shipped a cargo comprising 1,600 cords of pulpwood from the Bras d'Or Lakes to Portland, Me. The same interests have loaded seven full steamship cargoes from Cape Breton to Portland for their two Maine pulp mills.

It will be remembered that Oxford Paper Co. controls the Nashwaak Pulp and Paper Co., whose plant near Saint John has been closed for some time.

EAST WINDSOR MAKES DEFAULT DUE TO ARREARS

Provincial Authorities Take Steps to Correct Situation

Default was made by East Windsor, Ont. on October 1, of principal and interest payments amounting to some $50,000 and officials of the city, the Attorney-General's department of Ontario and the Investment Bankers' Association are co-operating with a view to remedying the situation. As yet no definite plan has been adopted pending receipt of latest financial statistics although several steps have been taken to remedy the situation and a tax sale is to be held next month.

The situation is understood to have been caused by the very rapid expansion of the city that took place some years ago and which was followed by an ambitious programme of building schools and local improvements. Dependent largely upon the motor industry, the municipality has been adversely affected by reduced industrial activity in Detroit and in the Ford Motor Co. of Canada plant which is located in East Windsor. Tax arrears have shown a substantial increase in the past two years and it is believed that collections have not been pressed sufficiently. Real estate development in past years has been excessive and the slump in real estate values has affected a large number of the citizens.

Arrears Are Large

Arrears of taxes amount to approximately $1,300,000 while the 1930 tax levy was $1,197,171. Of this latter item $538,069 remained uncollected at December 31, 1930, and at that time there was $225,114 additional in arrears on previous years. Assessed value of property for taxation in 1930 was $21,935,595 against which there was debenture debt of $4,242,500, exclusive of joint liabilities with neighboring municipalities on account of waterworks and other utilities which are said to be largely self-sustaining. Most of the direct obligations of the municipality are of the serial installment type and sinking fund requirements are small.

In 1930 current revenues amounted to $1,285,133 and current expenditure to $1,274,456. The tax rate was 18.3 mills for general purposes and debenture debt in addition to which taxes for schools were 14.4 mills and 14 mills respectively for public and separate school supporters. Revenue in the current year is reported to be only sufficient to cover principal and interest payments. Bank loans, current and for local improvements, now amount to some $1,400,000. In the six months ended December 31, 1930, the waterworks operated jointly with Walkerville, showed the municipality a net profit of $8,153 and the electric light plant showed a net profit of $23,599 for the full year after deduction of depreciation, interest and other charges.

The population was reported at 16,081 in 1930 but due to industrial conditions is understood to have dropped to around 14,200. In 1925 the population was 9,204. Approximately 33 per cent of the residents are employed at the Ford Motor Co. of Canada plant and this company is the largest individual taxpayer, accounting for some 20 per cent of tax payments. The municipality was formerly known as Ford City.

Municipal officials have been urged to reduce expenditures as far as possible and to take more determined measures to collect tax arrears. It is regarded as essential that interest payments should be met although it may be necessary to defer principal payments. The municipality is regarded as basicly sound except that there may be too great a proportion of temporary residences of an unsubstantial character. The record of Ontario municipalities has been exceptionally good for many years and very few defaults have occurred. Provincial authorities and officials of the Investment Bankers Association are doing everything possible to straighten out the East Windsor situation and have the co-operation of municipal officials.

Abitibi Output Down At Iroquois Falls

Abitibi Power & Paper Co. is now running three machines out of seven at Iroquois Falls. To spread work the six-hour day has been adopted in the paper mill, groundwood mill and mechanical department though the eight-hour day still obtains in the sulphite mill. The change in shift permits employment of 175 men out of 350 men who would otherwise be laid off.

The Sault Mill was opened up full blast after a long shutdown some weeks ago. It was then expected that there would be some readjustment of output in the Iroquois Falls and Ste. Anne mills. Woods operations have been suspended in the territory tributary to Iroquois Falls but double the usual cut may be made in 1932.

New Company Formed to Lease Tank Cars

Formation of an all-Canadian company, closely affiliated with Canadian Car & Foundry Co., has been announced for the purpose of leasing tank cars to Canadian shippers. After April 30, 1932, the Railway Commission has ruled that tank cars will no longer be supplied by the railways but must be owned or leased by shippers.

The new company will lease tank cars to Canadian shippers. Oil companies are the principal users of tank cars but there is also an active demand by shippers of molasses, chemicals, alcohol, tar oil and other products. The tank cars to be supplied will be manufactured in Canada.

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Utilities and Transportation

CANADIAN HYDRO STATES EARNINGS ON LARGER SCALE

Returns Up to August Show Gain Over Last Year

From Our Own Correspondent

MONTREAL.—Consolidated net revenue of Canadian Hydro-Electric Corp. and subsidiary companies showed an improvement in August and the twelve months ended August 31, 1931, as compared with corresponding periods in the previous year. For the twelve months ended August 31, net revenue available for dividends was $2,032,997 or the equivalent of $16.26 a share on the 6 per cent first preferred stock. This compares with earnings of $13.24 a share in the twelve months ended August 31, 1930.

Gross revenue in August was $756,149 compared with $708,395 in August last year. After all charges, including depreciation, there remained a balance available for dividends of $152,037 as opposed to dividend requirements of $62,500 on the first preferred stock. Balance added to surplus in August was $89,537 against $88,459 in August, 1930.

Makes Good Showing

Following is a comparative statement of profit and loss for the month of August in the last two years:

	Month of August 1931 $	1930 $
Gross revenue (incl. other income)	756,149	708,395
Net before int. and depreciation	637,399	591,309
Int. amort. of disc. div. on pref. stock of subsidiary	421,494	384,710
Depreciation	63,868	55,640
Bal. for divs. after int. and deprec.	152,037	150,959
Divs. on Can. Hydro-Electric Corp., first preferred stock	62,500	62,500
Bal. added to surp.	89.537	88,459

Cumulative Figures Up

In the twelve months' period ended August 31, gross revenue was $819,000 in excess of that reported for the same period in 1930. After all deductions, which included larger provision for depreciation, there remained a net revenue available for dividends of $2,032,997 compared with $1,655,303 in the twelve months ended August 31, 1930.

Dividends on Canadian Hydro-Electric first preferred required $750,000 in the period, leaving a balance added to surplus of $1,282,997. This compared with a balance of $905,303 on a similar basis in the previous year, and represented an increase of 42 per cent.

Show Further Increase

Following is a comparison of earnings for the twelve months ended August 31, 1931 and 1930.

	Twelve Months Ended August 31 1931 $	1930 $
Gross revenue (incl. other income)	8,918,911	8,099,818
Net before int. and depreciation	7,571,366	6,795,782
Int., amort. of disc. div. on pref. stock of subsidiary	4,788,301	4,536,603
Depreciation	750,068	603,876
Bal. for divs. after int. and deprec.	2,032,997	1,655,303
Divs. on Can. Hydro-Electric Corp., Ltd., first pref. stock	750,000	750,000
Bal. add. to surp.	1,282,997	905,303

Feeling is Warmer To Private Capital

From Our Own Correspondent

REGINA.—E. W. Bowness, of Calgary, manager of Canadian Utilities, Ltd., which recently bought the municipal power plant of Prince Albert, Sask., for $750,000, has applied to the Saskatchewan Power Commission for permission to build a transmission line, costing $150,000, to connect Prince Albert with Birch Hills, Kinistino, Melfort and Star Cities, in each of which towns the company has acquired the local power plant and distribution system.

Under Saskatchewan's power legislation any such construction by private concerns requires the consent of the commission. It was part of the intent of such legislation to prevent development of private enterprises from interfering with the projected expansion of the provincial system, but present conditions are leading to a greater tenderness toward private enterprise.

Sues Red Barge Co. for Cargo of Grain

From Our Own Correspondent

MONTREAL. — Red Barge Lines Ltd., subsidiary of North American Elevators Ltd., is being sued for $94,835 by the Canadian Atlantic Grain Co. The petitioners state this is the value of a cargo of grain that they shipped from Port Colborne to Montreal by the Red Barge Lines and it is alleged that the latter company failed to deliver the grain. A similar action between the same parties for a second cargo of grain valued at $58,272 is also before the courts.

The cargo, it is claimed, was shipped and stored in the Harbor Commission's elevators in Montreal. On presentation of bills of lading and a demand being made on the defendant for an order on the Harbor Commission to deliver the grain, the request was refused. The owners therefore ask to be paid the value of the grain cargo.

In defence, the Red Barge Lines say they were never a party to the bill of lading and never made any contract with the plaintiff with respect to the shipment.

St. Croix Water Power to Raise Dam Level

From Our Own Correspondent

MONTREAL.—Permission has been granted by the International Joint Commission to the St. Croix Water Power Co. and the Sprague Falls Manufacturing Co. to raise their dam at Grand Falls, on the international boundary between Maine and New Brunswick, increasing the output of their power development there.

Consent to the increase of water storage at the development was filed by representatives of those with property interests in the vicinity and it was stated by petitioning companies that they already owned all the land that would be involved in the flooding.

The proposed elevation would increase the water storage by 26,880 acre feet.

Listed on Montreal Curb

MONTREAL. — There have been listed on the Montreal Curb Market, 23,691 shares of $6.50 cumulative convertible preferred stock of $100 par value, French and Foreign Investors Corp.

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CHANGES MADE IN VICTORIA RATES OF B. C. ELECTRIC

Schedules Are Figured on Residence Floor Area

From Our Own Correspondent

MONTREAL. — New residence electric service rate schedules in Victoria, B.C., became effective on October 1, and it has been estimated that their introduction will benefit some 15,000 customers of British Columbia Electric Railway Co. to the extent of $50,000 a year. The estimation was based upon consumption in 1930.

The new schedules are of the same form as the residence schedules which have been effective in Vancouver during the last four or five years. They are figured on floor area, or consumption taken in excess of a certain amount a month, which is chargeable at three cents a kilowatt hour instead of six cents, inside the city, or eight cents, suburban.

New Rate in Victoria

In the city of Victoria and the three mile limit, the rate will be six cents a kilowatt hour for the first three kilowatt hours per hundred square feet of floor area and three cents a kilowatt hour for all current used in addition. Minimum charge will be 75 cents for lighting, or $2.25 for combined lighting and range service a month.

The new rate schedule applies to one meter only but it is the company's intention to give customers the opinion of continuing under the present two meter schedule, or of changing over to the new floor area basis. In the event of the latter choice, wiring charges, etc., will be carried out by the company at its expense.

Under the old conditions, it was necessary to wire each room with two circuits, one for light and the other for power. The new rate schedules make this unnecessary.

Gas Appliance Sales

Sales of gas appliances by British Columbia Electric Railway Co. in August, 1931, had a value of $8,693, while estimated annual revenue was $5,740. These figures are below the same month in 1930 when sales totalled $19,686, having an estimated annual revenue of $7,866.

Electric appliances sales also showed a decline totalling $1,004 in August, compared with $1,307 in the same month in 1930. Electric appliance sales in August this year have an estimated annual revenue of $3,194 compared with $7,456 for appliances sold in August, 1930.

LACHINE FAVORS SALE OF SYSTEM TO MONT. POWER

Property Owners Vote to Accept Offer of $200,000

From Our Own Correspondent

MONTREAL.—Property owners of Lachine have decided in favor of the sale of the municipality's electric plant and system to Montreal Light, Heat and Power Consolidated for $200,000 in cash. Since the company, in its offer, had expressed a willingness to take over the plant within two weeks of the decision of the citizens, it is expected that the deal will be completed in the near future.

Acquisition of the Lachine system will mark another step in the expansion programme of Montreal Power. Two weeks ago it was announced that the Pierrefonts system, supplying practically one quarter of the area of the Island of Montreal, had been acquired, while the purchase of the Verdun distribution system for the sum of $300,000 was also finally completed.

Various other systems have been acquired during the past few years and the different municipalities, which had hitherto purchased power in bulk from Montreal Power, will now be supplied direct by the utility company, while rates will be brought into line with those obtaining in the City of Montreal itself.

Approval of Lachine property owners to sell the electric system culminates negotiations which have been proceeding since July. During preliminary discussions the company and the city had the plant and system examined by experts to place a valuation on the whole. It is stated that the system covers 27 miles of wires carried on poles and a total wire mileage of about 135 miles.

In accordance with the deed of sale, Montreal Power will sell electricity to the citizens at a uniform rate of 3 cents a kw.h. while in addition, it is understood that all the personnel of the plant and system will be retained.

Canada Nor. Power July Output Gains

From Our Own Correspondent

MONTREAL. — Total amount of power produced by Canada Northern Power Corp. in July, was 35,250,120 kw.h. compared with 29,971,780 kw.h. in July, 1930. For the twelve months ended July, 1931, output was 397,812,080 compared with 353,958,330 kw.h. in the same period in 1930.

Merchandise sales in July this year were $12,607, an increase of $4,000 over sales in July, 1930, and a slight decrease from sales in June, 1931. Total merchandise sales to the end of July this year amounted to $82,722, which compares with a total of $66,520 in the first seven months of 1930.

Zonite Products Plan Plant at St. Therese

From Our Own Correspondent

MONTREAL. — Culminating negotiations carried on through Shawinigan Water and Power Co., Zonite Products Corp., drug manufacturers, has contracted to build a plant at St. Therese. The factory, it is expected, will be completed about April 1, 1932.

Zonite Products Corp. is not only the manufacturer of the products which bear its name, but is also the parent organization for a number of other units, which include Forhans, Limited, the Larvex Corp., and A. C. Barnes. These organizations have been manufacturing in Canada and various points for some time, but will be brought together under one roof when new plant at St. Therese is finished.

CAN. NORTHERN PROFITS BENEFIT BY MINE ACTIVITY

Gold Mining Operations Call for Larger Deliveries

From Our Own Correspondent

MONTREAL.—Increased activity in operations at the gold mines which utilize its power, together with growth of domestic and commercial loads in various towns served by the system, have stimulated earnings of Canada Northern Power Corp. this year. Further, B. S. Harrison, vice-president and general manager of the company, states there is every reason to believe that still further increases in power demand will materialize in the near future, as almost without exception, the larger mines are adding to equipment and making preparations for more extensive operation.

Reflecting this situation, gross earnings of Canada Northern Power Corp. in the 12 months ended August 31, 1931, were $3,294,531 compared with $3,149,736 in the same period in the previous year. Operating expenses showed a relatively small increase, increasing by about $42,000 to $1,040,950 and net earnings were $2,253,581, compared with $2,150,613 in the 12 months ended August 31, 1930.

Profits Show Gain

Following are figures covering the 12 months ended August 31 in the past few years:

Gross earnings — 1931, $3,294,531.61; 1930, $3,149,736.02.
Operating and maintenance—1931, $1,040,950.37; 1930, $999,122.79.
Net earnings—1931, $2,253,581.24; 1930, $2,150,613.23.

Jitneys Given Route to Cover in Regina

From Our Own Correspondent

REGINA.—To offset discontinuance of service on one of the lines of the municipal street railway, dropped as a measure of economy, the city has agreed to allow Checker Stage Service Limited to operate a motor bus service on a ten cent fare, along the same route. Steady losses of the municipal car system are causing a great deal of concern in the city. A district ratepayers association has suggested that the street railway superintendent be given an absolutely free hand for three months, and if he is unable to improve operating results in that time that he be removed from office.

Canada Power & Paper Calls Special Meetings

From Our Own Correspondent

MONTREAL.—Special general meetings of shareholders of Canada Power and Paper Corporation, and its subsidiaries will be held as follows:

Canada Power and Paper Corporation meeting on October 19 at 11 a.m.

Preferred shareholders of Port Alfred Pulp and Paper Corporation will meet at 11.15 a.m. and a general meeting will take place at 12.15 p.m. on October 29.

Preference and common shareholders of St. Maurice Valley Corporation will meet at 2.30 p.m., preference shareholders at 3 p.m., and a general meeting will take place at 3.30 p.m., on October 29.

Belgo Canadian Paper Company, Limited, meeting on November 5 at 3.30 p.m.

All the meetings will be held in the Canada Cement Building in Montreal.

B. C. Power Corp. Board Re-Elected Without Change

From Our Own Correspondent

MONTREAL. — The retiring board of directors of B. C. Power Corp. was re-elected to serve for the current year at the third annual meeting of shareholders.

The re-elected directors are: Sir F. S. Barnard, C. E. Calder, P. Davidson, S. Godin, Jr., A. T. Coward, J. H. Gundy, Andrew P. Holt, Sir Herbert S. Holt, George Kidd, W. G. Murrin, A. J. Nesbitt, Lord Rothermere, P. A. Thompson, W. J. Blake Wilson and J. B. Woodyatt.

At a meeting of the board of directors, held immediately after the shareholders' the following officials were elected: W. G. Murrin, president; A. T. Coward, first vice-president; E. H. Adams, second vice-president and comptroller; J. I. Newell, third vice-president; and Ernest Rogers, secretary.

Canadian Airways Starts Moncton-P. E. I. Service

From Our Own Correspondent

MONTREAL. — Canadian Airways has inaugurated a service between Moncton, N.B. and Charlottetown, P.E.I. The journey will take less than an hour whereas formerly the trip took over seven hours.

Canadian Airways carried mail from the mainland to Prince Edward Island last winter but no passenger service was established. Now, it is understood, no mail contracts exists, but it is hoped that one may follow establishment of the new service.

Public Utility Earnings

Shawinigan Water & Power

Eight Months ended Aug. 31, 1931:	
Gross income	$9,024,086
Expenses	3,271,884
Net available for bond interest	5,752,202
Bond int. charges	2,606,450
Balance	3,145,752

Can. Hydro-Electric Corp. and Subsidiaries

August	1931 $	1930 $
Gross revenue (incl. other income)	756,149	708,395
Net before int. and depreciation	637,399	591,309
Int. amort. of disc. div. on pref. stk. of subs.	421,494	384,710
Depreciation	63,868	55,640
Bal. for divds. after int. and deprec.	152,037	150,959
Divds. on Can. Hydro-Electric Corp., first pref. stock	62,500	62,500
Bal. added to surp.	89,537	88,459
Twelve Mos. ended August 31:	1931	1930
Gross revenue (incl. other income)	8,918,911	8,099,818
Net before int. and depreciation	7,571,366	6,795,782
Int., amort. of disc. div. on pref. stock of subsidiary	4,788,301	4,536,603
Depreciation	750,068	603,876
Bal. for divds. after int. and depr.	2,032,997	1,655,303
Divds. on Can. Hydro-Electric Corp., Ltd., first pref. stock	750,000	750,000
Bal. add. to surp.	1,282,997	905,303

Jamaica Public Service

	Aug., 1931 $	Aug., 1930 $
Gross earn.	65,958	68,125
Exp. and taxes	39,665	42,156
Net earnings	26,293	25,969
Int. and amort. chgs.	9,405	10,046
Balance	16,888	15,923
12 Months Ending	Aug., 1931	Aug., 1930
Gross earn.	838,146	816,850
Exp. and taxes	490,736	485,256
Net earnings	347,410	331,594
Int. and amort. chgs.	113,076	82,855
Balance	234,334	248,739

Converted from £ sterling at $4.86 2/3 to the £1. * Decrease.

Canada Dry Will Pay Canadians U. S. Funds

On October 15, 1931, nearly 1,000 Canadian shareholders of Canada Dry Ginger Ale, Inc., will receive the quarterly dividend of 75 cents a share in United States funds.

For Canadians that will represent in Canadian dollars a value depending on the depreciation of the Canadian dollar as measured in United States dollars at the present time. At the rate obtaining in current transactions it would be worth about 84 cents a share in Canadian money. If the depreciation lasted for a year and the dividend were maintained at the $3 a share rate, this would be equivalent in Canadian money to $3.36 a share.

SOUTHERN CANADA POWER EARNINGS AHEAD LAST YEAR

Industrial Activity of Area Continues on Good Scale

From Our Own Correspondent

MONTREAL.—Industrial activity is being maintained in a satisfactory manner in the territories served by Southern Canada Power and shareholders of preferred stock have been advised in a letter accompanying dividend cheques that initial manufacturing operations in one case and expansion of existing properties in others, augur well well for the future.

In St. Hyacinthe, the Hunt Hair Pin Co. of Canada is equipping its plant and will shortly begin supplying the Canadian market and export market preferentially supplied from Canada. The management have stated that they will transfer to the Canadian company sufficient business to keep the plant operating at capacity as soon as the initial stages of production are passed; the product will be equal in grade to that manufactured in the Chicago plant.

At Granby, the letter continues, the Steadfast Rubber Co. has increased its installation and equipment to manufacture additional lines.

Add to System

Extensions to distribution system include a modern lighting system with ornamental standard which is being installed by the town of Marieville in its park. The capacity of the St. Hilaire substation is being doubled by the installation of new transformers and control equipment to cope with increasing loads. The Beloeil explosives plant of Canadian Industries has been responsible largely for the increased demand for power. A new line is being constructed between Beloeil and St. Bruno to provide for increasing demand.

A distribution system has been constructed in the village of Abbottsville which is now added to the list of commuities served by Southern Canada Power.

Earnings Are Larger

Gross earnings in the eleven months ended August 31, 1931, were $2,151,100 compared with $2,066,816, while net earnings at $1,316,278 showed a gain of over $22,000.

The company's fiscal year ended on September 30 and the financial statement for the twelve months' period is expected to show improvement over 1930. In the latter year, earnings were equal to $1.22 a share on the 400,000 shares of no par value common stock, on which a dividend of $1 a share is maintained.

Offering Over-subscribed

The seventh customer-ownership share offering by Southern Canada Power Company, has been over-subscribed.

The official opening of the offering which had been scheduled to take place Monday morning, October 12, had to be called off at midnight, on Saturday, October 10, inasmuch as reservations by then had been received for over 5,000, shares, or 2,000 shares more than were alloted this year.

The offering of 3,000 shares of six per cent cumulative participating preferred is the smallest since 1923.

For the past three years this has been an annual event. For four years up to 1925 annual offerings were also made but there was a lapse of four years until the plan was resumed in 1929. Last year was regarded as an unfavorable period for a share offering but the handicaps were even greater this year.

To Finance Additions

Previous to this offering the company had about 6,500 customer-owners of its shares and while doubtless some of the former shareholders increased their holdings it is believed that the company has considerably increased the ranks of customer-owners by the addition of many new ones. This is indicated by the fact that orders were restricted to five shares from any one customer. The proportion of the company's customer share-owners is now placed at about one in four.

The funds derived from the sale of shares to customers goes into the treasury to be in readiness for financing additions to plant which are required from time to time to keep up with the growth of demand for power services. These come from a great variety of sources. While the company has built up several busy industrial communities which require large blocks of power there is an ever increasing number of household services being installed as well as public lighting for towns and villages.

British Columbia Elec. Operates 16 City Buses

On March 19, 1923, the first of the B. C. Electric fleet of city buses began running in Vancouver over the Grandview Highway route.

There are now 16 buses operating on six feeder lines in the city and the difference between the original vehicle referred to, the M-I, then the latest type of urban bus, and the M-16, added to the fleet this year, is very marked. Six cylinders have taken the place of four and power has been increased. Body design has made rapid strides making for beauty of appearance and greater travel comfort. Air brakes and treadle step equipment have been added and combine with numerous other safety features to make the modern city bus equal in every respect to the latest electric street car.

MANY INSURANCE PROBLEMS AHEAD

Investment Losses Foreseen for Some Time by Official

Declaring that "the rising trend of real estate values and the increasing profits of business institutions during the long period ending two years ago covered up any but the most flagrant mistakes in the selection of life company investments," Adolph A. Rydgren, president of the Life Office Management Association, at the eighth annual conference held recently in Toronto, warned his hearers that it is probable that life companies will suffer investment losses on a large scale for some years to come. These losses, he said, would have to be written off out of current income, while the interest yield on new investments would tend progressively lower for a long period of years.

Continuing, Mr. Rydgren referred to the other major problems facing the life insurance companies at the present time, the excessively high mortality rate among those insured for large amounts, and the increasing disability losses, largely in excess of those contemplated in the premiums charged. Regarding the first of these, Mr. Rydgren expressed the opinion that companies had become careless in the selection of applicants for large amounts of insurance, these frequently being beyond a reasonable relation to normal earning power.

The disability coverage had been over expanded, not only in the absence of knowledge of its cost, but also well beyond the point where it can be successfully written, according to Mr. Rydgren, who cited these problems as representing life insurances contributing to the hectic boom period which ended two years ago.

U.S. Illumination Equipment Concern Comes to Canada

Wilson Illumination Co., Ltd., Canadian agents for the Pittsburgh Reflector Co. of Pittsburgh, Pa., has made arrangements to manufacture in Canada the products of the Pittsburgh company. A new factory building, especially designed for the purpose, has been erected at 478 Bathurst St. and is now being equipped with manufacturing and processing equipment, including acid-dip vats, silvering tables, baking ovens and testing and display systems. Production is scheduled to start during the next few weeks.

The products of the company will include silver mirrored reflectors for use in display lighting, equipment for theatre stage lighting and various types of indirect illuminating equipment.

Chignecto Canal Project Aired by Commission

From Our Own Correspondent

MONTREAL.—The Chignecto Canal Commission will hold its first public hearing in Saint John on October 21, to determine opinion concerning the 100-year old project of a canal through the isthmus of Chignecto. Public hearings will also be held in Sackville, Amherst and various other centres in Nova Scotia and New Brunswick.

Dr. Arthur Surveyor, of Montreal, is chairman of the commission, with David W. Ross, of Amherst, N.S., and John F. Sowards, of Kingston, Ont., as associates.

Ship Nova Scotia Apples

The movement of apples from the Annapolis Valley to Halifax for export, since the beginning of the season up to September 20, totals 153,707 barrels, 12,155 half-barrels and 1,389 boxes, as compared with 94,955 barrels, 11,228 half-barrels and 206 boxes for the similar period of last year.

Alberta Potato Crop

Harvesting of one of the greatest potato crops Central Alberta has had in many years, is under way. From 20,000 acres north of Red Deer the yield will average 188 bushels to the acre, or a total of 3,760,000 bushels. Potatoes are large in size and heavy in yield.

Profitable Exchange

The altered level of security prices suggests many exchanges of bonds that were not advantageous even a few weeks ago. This particularly applies to investors holding early maturing bonds who wish to exchange for long term bonds with equal security. This may be accomplished on a more profitable basis than has existed for several years.

Our services are gladly placed at your disposal, and we shall be pleased to submit suggestions without obligation.

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Like a rare old WINE

Lunch—these busy days—takes on new interest when there's a cool, emerald bottle of Canada Dry—the Champagne of Ginger Ales—gracing the table.

For it's a charming companion if you dine alone—a gay and sparkling partner if you are entertaining a business associate. Like a rare vintage it invites you to taste its wonderful flavour. And it gives a zest to your appetite—a sense of completeness to the whole meal—that you'll appreciate more as the afternoon goes on.

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It is not easy to rent stores and houses as it used to be. Knowledge of where prospective tenants may be found, and energy to go after them were never more necessary. These are the two things we bring to owners who entrust their properties to our management. The number of satisfied owners whom we serve is convincing proof that we not only know how to secure tenants, but also how to hold them and keep property within the range of a profitable investment.

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News of Investment Markets

MARKED CHANGE HAS BEEN MADE IN CORPORATE

Two New Series of Original Fixed Trust Show Latest Trend

NO RESERVE FUND

Accumulative and Distributive Types Now Offered —Portfolio is Enlarged

With the offering of two new series of Corporate Trust Shares by Administrative & Research Corp., one of the oldest and largest fixed trusts gives effect to the change in conditions that has taken place since Corporate Trust Shares, original series, was offered early in 1929. The investor is now offered a choice between a fixed trust of the capital accumulative type or of the distributive type. The new portfolio, the same in both of the new series, also shows the trend of the times with certain rail and oil stocks carried by the first trust being dropped in favor of public utilities, while the number of shares of each stock has been increased.

A description of the new distributive series of Corporate Trust Shares will serve for both of the new series since there is no great difference between the distributive and the accumulative types with the exception that in the latter full shares secured through stock dividends or stock split-ups are retained in the portfolio while in the distributive type these are sold and the proceeds distributed.

Increase Holdings

The number of stocks in the portfolio has been increased to 30 instead of the 28 in the original trust and eight of the original stocks have been dropped and ten have been added. There are now 16 shares of each stock in a unit rather than four and against each unit 10,000 of the new Corporate Trust Shares are issued. The effect is to somewhat reduce the price of the new shares from that prevailing for the old shares. In the accumulative type the increase in the number of shares to 16 allows of fewer fractions which must be sold.

Distributions will be made semi-annually, June 30 and December 31, from the regular and extra cash dividends received and the proceeds of sale of subscription rights, stock dividends, extra shares secured in stock-split-ups, stocks that may have been eliminated from the portfolio and interest on accumulations compounded monthly. No attempt is made to stabilize semi-annual disbursements by means of a reserve fund such as was a feature of the original trust. In the case of the accumulative series full shares obtained from stock dividends and stock split-ups are retained in the portfolio.

More Elimination Clauses

No substitution is permitted in the portfolio but the clause providing for elimination of stocks has been considerably broadened. Originally elimination was permitted only after a stock had no paid dividends for one year and 30 days whereupon it was compulsory. This clause is still retained but further provisions have been added that grant much more scope to the depositor corporation. These provisions permit elimination if there is too narrow a market and if shares are removed from trading privileges on an exchange for a period of over three days. Should a stock sell at 30 times its indicated current annual dividend rate it may be eliminated thereby permitting profit-taking. If a dividend of less than 3 1/3 per cent per annum is being paid on a stock in the portfolio and this stock represents the only security on which interest or dividends are being paid by the issuing corporation the stock can be eliminated. Elimination can also take place if the current annual rate of regular cash dividends shall be reduced or omitted, such rate being first adjusted to take into account any reclassification and any stock dividend in excess of 10 per cent.

The trustee's fees are paid for the duration of the trust except for fees in connection with registration or exchange of certificates for shares, certain legal and other expenses not specified and a handling charge of 1 per cent of cash received from the trustee when converting trust shares into underlying securities or into cash. The trust terminates on June 30, 1951. Chase National Bank of New York is trustee.

Load is 9½ Per Cent

The trust shares are priced on the basis of total current market value of the stock unit, including minimum stock exchange commissions and odd-lot brokerage to which is added 9½ per cent of this total for administration, distribution costs and profit and accumulations. The loading charge represents some 8½ per cent of the cost price of the trust shares before accumulations at current prices. The total cost plus loading charge of a unit is divided by 10,000 to get the cost per share and the price of the individual share is adjusted to the next highest 5 cents.

Various supplemental services are offered to trust shareholders and are provided for in the trust agreement. These include publication of the amount of each semi-annual disbursement per share; details of reinvestment privileges; announcement of dividend paying agents; supplying of income tax data; and an annual audit of trust distributions.

The portfolio now includes 16 shares of each of the following 30 stocks in each unit; stocks not included in the original portfolio of Corporate Trust Shares being marked with an asterisk.

- Allied Chemical & Dye Corp.*
- American Can Co.*
- American Radiator & Standard Sanitary Corp.
- American Smelting & Refining Co.*
- American Telephone & Telegraph Co.
- American Tobacco Co. B common.
- Atchison, Topeka & Sante Fe Rlwy. Co.
- Borden Co.*
- Columbia Gas & Electric Co.*
- Consolidated Gas Co., N.Y.
- E. I. duPont de Nemours & Co.
- Eastman Kodak Co.
- Electric Bond & Share Co.*
- General Electric Co.
- International Harvester Co.
- National Biscuit Co.
- New York Central Railroad Co.
- North American Co.*
- Otis Elevator Co.
- Pennsylvania Railroad Co.
- Procter & Gamble Co.*
- Standard Oil Co., Indiana.
- Standard Oil Co., New Jersey.
- Texas Corp.
- Union Carbide & Carbon Corp.*
- Union Pacific Railroad Co.
- United Gas Improvement Co.*
- United States Steel Corp.
- Westinghouse Electric & Mfg. Co.
- F. W. Woolworth Co.

The eight stocks contained in the original portfolio of Corporate Trust Shares and which have been dropped from the portfolio of the new series are as follows: Illinois Central Railroad Co., Ingersoll-Rand Co., Louisville & Nashville Railroad Co., Southern Pacific Co., Standard Oil Co. of California, Standard Oil Co. of New York, United Fruit Co. and Western Union Telegraph Co.

Holders of the original issue of Corporate Trust Shares, of which there is nearly 20,000,000 outstanding, can sell their shares at a premium of 1/8 over the bid price providing all of the cash so received is used in the purchase of the new Corporate Trust Shares.

Bond Tenders

Montreal Catholic School Commission will call for tenders for the purchase of $700,000. Bearing interest at a rate not exceeding 5%, 30 years, and payable in Canadian funds. This issue will be a renewal of the temporary loan made through the issue of $700,000 of bonds, 6%, dated November 1, 1921, and maturing November 1, 1931. Jean Casgrain, sec.

12 o'clock noon, Oct. 20, Howick School Municipality—$8,000, 5½ per cent bonds, dated July 31, 1931. T. Gebbie, sec.-treas.

1.30 o'clock p.m., Oct. 21, School Commission of Chicoutimi—$19,000, 5½ per cent, 15 year serial bonds. J. E. Blackburn, sec.-treas.

5 o'clock p.m., Nov. 3, Town of Magog, Que.—$65,000, 5 per cent bonds dated Nov. 1, 1931, redeemable serially from Nov. 1, 1932 to Nov. 1, 1961; payable at Can. Bank of Commerce, at Magog, Montreal or Quebec. A. Girard, sec.-treas.

BRITISH COLUMBIA

The following certificates have been issued by the Municipal Department of British Columbia upon the following dates: June 24, 1931: Courtenay, "The Streets' Improvement Authorisation and Debenture By-law, 1931," No. 233, $3,000, 15 years 5 per cent; June 26, 1931: District of Summerland, "Electric Light Loan By-law 1931," No. 304, $6,000, 15 years 5 per cent; June 26, 1931: "City of Vernon, Water Works System (Kalamalka Lake) Loan by-law 1931," No. 568, $45,000, 20 years 5 per cent; June 26, 1931: "City of Kamloops, Local Improvement Consolidating By-law No. 683," $11,259, 10 years 5 per cent; June 26, 1931: City of Courtenay, "The Electric Light and Power Authorization and Debenture By-law 1931," No. 232, $5,000, 20 years 5 per cent; June 29, 1931: City of North Vancouver, Local Improvement Debenture Consolidation By-law No. 1295, $18,436, 15 years 5 per cent; June 29, 1931: "The City of Chilliwack Local Improvement Consolidating By-law 1931," No. 549, $23,500, 10 years 5 per cent; June 29, 1931: District of Oan Bay, "Local Improvement Consolidating By-law" No. 653 $10,893, 10 years 5 per cent; July 4, 1931: City of Rossland, "Street Pavement Debenture By-law," No. 415, $26,000, 20 years 6 per cent; July 4, 1931: "Rossland High School Debenture By-law," No. 416, $9,500, 20 years 6 per cent; July 4, 1931: Ctiy of Rossland, "Waterworks Authorization and Debenture By-law," No. 411, $9,000, 20 years 6 per cent; July 4, 1931: City of Rossland, "Fire Truck and Fire Hall Improvement Debenture By-law No. 413, $9,000,000, 20 years 6 per cent; July 4, 1931: "Trail Creek Channel Debenture By-law," No. 696, $30,000, 20 years 6 per cent; July 4, 1931: City of Nelson, "Local Improvement Consolidating By-law No. 765," $17,962, 10 years 5 per cent; July 8, 1931: City of Kamloops, By-law No. 684, $15,000, 20 years 5 per cent; July 8, 1931: District of Burnaby, "Local Improvement Debenture Consolidation By-law" No. 1258, $30,370, 10 years 5 per cent; July 17, 1931: City of New Westminster, "Local Improvement Debenture Consolidation By-law" No. 1305, $9,111, 5 years 5 per cent; July 17, 1931: "The City of North Vancouver Local Improvement Debenture Consolidation By-law" No. 1294, $31,551, 20 years 5 per cent; Sept. 17, 1931: City of Fernie, "Road Improvements By-law 1931," No. 318, $7,500, 20 years 5 per cent; Sept. 17, 1931: City of Fernie, "Park Improvements By-law" No. 319, $12,500, 20 years, 5 per cent.

Oct. 20—Howick School Municipality: $8,000, 5½ per cent bonds. T. Gebbie, sec.-treas.

Nov. 5—Town of Magog: $65,000, 5 per cent 30-year serial bonds. A. Girard, sec.-treas.

Oct. 21—School Commission of Chicoutimi: $19,000, 5½ per cent, 15-year serial bonds.

Bond Redemptions

National Trust Co., Toronto, as trustee for the 6½ per cent first mortgage bonds, of Pacific-Burt Co., due 1937, is asking for offers up to October 27 to exhaust $28,300. Prices asked will be deemed to include accrued interest and to apply to the whole or any part of the principal amount offered.

Bond Issues—	Rate	Due	Redeem.	Price
Dom. Glass Co.	*6%	1933	Dec. 2	110
B.C. Telephone	*4%	1932	†Nov. 1	105
Cascade Water Power	4½%	1940	†May 1/32	100
Interlake Tissue Mills	*6%	1935	Feb. 1/32	101
Maine & N.B. Electrical Power	*6%	1948	Jan. 1/32	107½
Northern Electric	*5%	1939	Dec. 1	105
Pac. Burt Co.	*6½%	1937	Oct. 27	offer
Imp. Realty	*6%	1945	Jan. 1	103
Foreign Issues—				
Kingd. of Norway	*5%	1967	Dec. 1	100
City of Oslo, Norway	5½%	1946	Feb. 1/32	100
Danish Cons. Ext.	*5½%	1955	Nov. 1	100
Kingd. of Belgium	*7%	1956	Nov. 1	105

*Called in part.
†Or before.

New Creosoting Plant

Timber Preservers Ltd., creosoters of timbers, have completed plans for the erection of a new plant at Vancouver at a cost of $150,000. It will be one of the most modern and best equipped on the Pacific Coast.

BOND PRICES WERE STRONGER IN PAST WEEK

5 p.c. Yield Attracts Small Investors; No New Financing

Canadian high-grade bonds have shown decided strength during the past week or more in marked contrast to the slump that materialized when Great Britain announced temporary suspension of the gold standard. Prices, however, are still far below those prevailing in mid-September and the movement has not as yet gone far enough to indicate where the new price level will be established. It is taken for granted that, with the Canadian dollar quoted at a large discount and the confidence of United States investors in Canadian securities not too pronounced, it will be difficult for high-grade bond prices to return immediately to levels that have prevailed during the past year.

One development of recent weeks that is of interest is the entry of small private investors into the market due to the opportunities presented of buying Dominion of Canada direct obligations and guaranteed issues at a 5 per cent yield basis or better. Small investors have not been in the market to any great extent for some time although considerable money has been available for investment from such sources. The psychological effect of a 5 per cent yield or better from Canada's premier issues has tempted some of this money into investment channels although the movement has not attained any great proportions as yet.

Conditions are still adverse to provincial or municipal financing and no announcement of importance in this field has been made for more than three weeks. The effect of this cessation of funding operations is to increase bank loans to municipalities which must eventually be retired by issuing bonds. There is a substantial amount of municipal financing to be undertaken which is being increased by present conditions.

Unless demand increases sufficiently to meet the supply of new bonds which must eventually come on the market it is expected that there will be some adverse effect on prices that the municipalities can obtain.

An indication of recent strength in Canadian bond prices is evidenced by the fact that "street" prices on a list of 43 Canadian bonds on October 13 showed 32 gains, five losses and six unchanged from quotations of October 7. The prices at October 7 showed 33 losses, three gains and five unchanged when compared with prices at September 29.

Quebec City Issues Financial Statistics

Assessed value for taxation of property in Quebec City is $117,524,442, after deduction of $47,514,700 assessed valuations exempt from taxation, according to financial statistics of the city recently available for the fiscal year ended April 30, 1931. Tax rate in the year ended that date was 32.90 mills and tax levy amounted to $3,739,094 of which $1,202,648 remained uncollected. Total accumulated tax arrears at April 30 amounted to $2,925,495, compared with $2,200,000 in the previous year.

Value of the city's assets at April 30, 1931, was $29,011,650. Current revenue in the year amounted to $3,664,512 and expenditures to $3,661,126. Gross debenture debt was $24,500,235 against which there was sinking fund on hand of $1,701,117 with no arrears. Total other liabilities of the city, including floating debt, amounted to $5,591,954. In this statement schools are excluded.

Population in 1925 was 124,341 and according to a municipal census in 1929 it was 136,172. According to preliminary figures of the Dominion Census of 1931 the city had a population of 129,103.

North-American Earns Interest 4.12 Times

North-American Elevators Ltd. showed increased earnings during September and some decrease in operating and administration expense to bring net operating profit, before interest, depreciation and income tax to $69,094 for the five months' period ended September 30. In this period interest charges amounted to $16,774 and were therefore earned 4.12 times.

Operating revenue of the company, derived from elevating, storing and grinding, is substantially above the corresponding period of 1930 which was the initial period of operation. In the first five months of the current fiscal year starting May 1, revenue was $115,748 and operating and administration expense was $46,654.

I. B. A. A. Convention to be Held in November

The annual convention of the Investment Bankers Association of America will be held at White Sulphur Springs, W. Va. from November 7 to November 11. The first two days will be given over to meetings of the board of governors and committees. The first convention session will be on Monday, November 9, and sessions will continue on November 10 while on Wednesday morning, November 11, the election of officers and governors will be held.

As usual a number of entertainment features have been arranged and on the afternoon of November 10 a golf tournament will be held for the Investment Bankers' Association of Canada trophy.

MAPLE LEAF GAIN DURING LAST YEAR DUE TO ECONOMIES

Shareholders Hear Story of Success in Difficult Milling Year

Maple Leaf Milling Company's net operating profit of $143,428 for the year ending July 31, 1931, was made in the face of "what was probably the most difficult year which the milling industry has passed through for a very considerable period," stated Major A. E. Nash, retiring managing director, in the course of remarks to the shareholders who attended the annual meeting on October 9, 1931, in Toronto.

"The general depressed condition throughout the world affected all industries, and the milling industry was not exempt, resulting in lowered prices for the company's products, including a very serious falling off in feed prices," continued Major Nash. "It says much for the company's stability, that in view of all the conditions it was able to make any profit at all, particularly after providing such substantial write-offs."

Major Nash said that the substantial reductions made in costs and expenses largely contributed to the improved showing. In addition, many old and outstanding matters were adjusted and obligations taken care of. The reduction in the liabilities during the year totalled over $2,700,000, and the liquid position was much improved.

All known bad debts were written off during the year against the reserve account. Other reserves were strengthened during the year, so that the total of all reserves increased from $858,639 to $1,196,998. Of this increase $200,000 was provided out of the surplus arising from the reduction in capital. In addition to the increase in the reserves there was written off goodwill and trademarks $100,000, and off the appraised value of leases and contracts a further $100,000.

Major Nash told the meeting the amount due by former officers was reduced during the year by $44,000. Directors and the management followed up the matter of recovery from these former officers very actively, as a result of which additional securities of very substantial amounts were received during the year, the value of which has not been reflected at all in the statement presented.

Interest was paid promptly on bonded indebtedness, and bonds to the amount of $125,000 were redeemed during the year.

Officials were optimistic for the coming year, pointing out that cuts in operating expenses, which enabled the favorable showing for the past year, would also work to the company's advantage in the year to come. It was proposed that Major A. E. Nash, who has resigned as managing director, but who retains his seat on the board, should act as chairman of the executive committee, designed for the purpose of holding frequent meetings without calling to Toronto all out of town directors.

D. Campbell MacLachlan, who assumed his duties as general manager at the first of October, spoke briefly.

Over 95,000 shares were represented at the meeting, and many holders of A and B preferred and common issues were present personally. Directors as re-elected were: President, C. W. Band, and J. L. Henderson on behalf of preferred shareholders. H. J. Symington, A. E. Nash, R. Cooper, D. L. Cameron, E. R. DeCary, Arnold C. Mathews and R. S. Waldie on behalf of common shareholders.

In moving adoption of the by-law providing for writing down the value of common share capital Major Nash said the object is to bring this item more into line with current conditions and to provide for writing down the appraised value of leases, contracts, and of goodwill and trade marks, and also to increase the reserve for contingencies. It was passed.

ASKS FOR EXTENSION OF C. & T. MORTGAGE

Trustee Offers Stock in New Company to Stimson Creditors

Negotiations are still under way with the object of retaining the equity of preferred shareholders of Commerce & Transportation Building Ltd. and subscriptions to shares of a new company which would take over the building are being received by G. T. Clarkson, trustee. During the past few weeks there has been some change in conditions caused by the high premium on New York funds and an extension of six months' time is being sought from the mortgagees in which to pay off arrears on the mortgage. If this is not granted, title to the building will pass to the mortgagees on October 27.

Not only are preferred shareholders of Commerce & Transportation Building Ltd. and debenture holders of Stimson's Building & Investment Co. being offered preferred stock of the new company with a bonus of common, but shareholders in other G. A. Stimson Co. enterprises are also being offered the opportunity to buy. If the original plan goes through, the only obligations outstanding against the building, which is valued at $1,825,000, will be a mortgage of $850,000, preferred shares having a total par value of $150,000 and 45,000 shares of common stock of $10 par value. Under this arrangement the preferred stock is believed to be well secured. On the basis of present rentals, running about 60 per cent, it is claimed that the building could earn interest charges and dividends at the rate of 7 per cent on the preferred stock.

A loan of $850,000 has been sought in New York for the building but has been refused in light of present conditions and an extension of six months will be necessary in order to save the building for the original investors. There are two alternatives that are possible; either the mortgagees will extend the due date by another six months or the mortgagees will permit the Stimson creditors to repurchase the property at any time within six months. In the meantime subscriptions are being received from Stimson creditors and if it is later found impossible to place the present plan in operation these subscriptions will all be returned.

Dividend Deferred by Harrison Hotel

Dividend payment has been deferred on the preferred stock of Harrison Hot Springs Hotel Co. pending the results of next season's operations. The resort has been affected by current conditions and it is considered advisable that cash should be conserved. The last preferred dividend was paid on July 1.

The company operates a hotel and health resort at Harrison Hot Springs, British Columbia. There are some 3,000 preferred shares of $100 par value outstanding and 55,000 shares of $10 par value common stock.

ADDED AUTO UNITS TO BE MADE HERE

McKinnon Industries Has Added Four New Lines to Its Schedule

Arrangements have been made whereby five important units of motor car production, four of which have never previously been manufactured in Canada, will in future be turned out in Hamilton, Ont., according to H. J. Carmichael, president of the McKinnon Industries, branch of General Motors of Canada, which is the firm which will make these units.

"Saginaw" steering gears, "Lovejoy" shock-absorbers, "Delco-Remy" ignition coils, "A. C." spark plugs and axel-shafts are the five parts now to be made in Canada, which will mean the employment of an additional 200 to 250 men at the McKinnon plant. The parts will be used in Canadian plants of the General Motors, thus providing for the 50 per cent of Canadian-made parts called for in the assembly of cars by the recent announcement of Premier Bennett.

The operations involved in manufacturing these additional units will materially relieve and offset the general dullness due to the present reduced scale of automobile production.

HIGH AUTO LOSS IN SASKATCHEWAN

Payments Exceed Premiums for Cars and Trucks in 1930

Saskatchewan's automobile fire loss record is not very satisfactory, according to figures quoted by Hon. J. F. Bryant, K.C., minister of public works and in charge of fire prevention in that province.

In 1929, for every $100 collected in fire insurance premiums on private cars, said Mr. Bryant, $112 was paid out in fire losses. In 1930 this had increased to $139. On commercial trucks the records show that, for every $100 collected, $170 was paid out in fire losses in 1929. This increased to $182 in 1930.

During the course of his address, Mr. Bryant pointed out that the losses by fire on properties insured in Saskatchewan in 1930 amounted to approximately 56 per cent of the premiums paid, and that Saskatchewan's fire losses during 1930 amounted to $3,504,293.

Seven Fires Per Day

Fifty-four lives had been claimed by fire during the last six years, he said, adding that the majority of the fires were preventable.

Summarizing the loss sustained by Saskatchewan in 1930, Mr. Bryant stated that 2,558 fires had been reported in the year, or an average of seven each day. These fires, he said, had taken a toll of 1,093 homes, or an average of three homes for every day in the year.

Mr. Bryant expressed some alarm at the rising fire losses, and read from the records to show that the fire losses for the first six months of 1931 had shown an increase of $393,104 over the same period of 1930.

FIVE U. S. MAKERS GET 8 MOS. GAIN

Auburn Sales Up 175½ p.c. —Plymouth Sales Heaviest July-August

Despite a shrinkage of 27.7 per cent in the volume of United States passenger car registrations during the first eight months of the year, five makes of car showed an increase in retail sales compared with the same period last year. Leading all others in this respect, Auburn jumped from 9,137 cars in 1930 to 25,178, representing an increase of 175.5 per cent. Cadillac sales were 14.5 per cent higher at 8,533; Willys were up 14.4 per cent at 29,710; Plymouth, up 10 per cent at 53,506; and Pontiac, up 8 per cent at 60,189.

The most striking increase in the past few months has been recorded by the Plymouth, which, since the introduction of the new models on July 1 last has converted a shortage of 13,976 cars as for the first six months of the year into a gain of 4,841 for the eight months' period.

New passenger car registrations were 584,168 fewer for the eight months' period, being 1,527,186 as against 2,111,354 in the same period last year, a reduction of 27.7 per cent.

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Restoration of confidence will make to-day's prices of many Canadian Industrial and Public Utility bonds look very low. If you have faith in the future of Canada you should look for investment opportunities today among the securities of those companies whose financial structure is sound and who are in a position to profit by improvement in business conditions.

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That the Capital Trust Corporation serves its customers well is conclusively proved by the steady growth of this institution.

Year	Capital and Surplus	Estates Under Administration	Savings Accounts	Total Assets
1918	$ 434,492	$1,060,680	$ 448,335	$1,959,793
1922	639,819	3,688,338	1,282,328	5,610,485
1926	719,294	5,908,285	2,708,655	8,336,648
1930	933,690	9,138,215	5,146,249	15,218,670
1931 (To Oct. 1)	1,036,140	9,863,644	5,421,262	16,321,046

If you are in need of advice on any financial matter, or in regard to your Will, write us or call at any of our offices.

CAPITAL TRUST CORPORATION
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Gutta Percha Moves Offices After 48 Years

After being located downtown for the past 48 years, the head offices and Toronto branch of Gutta Percha & Rubber, Ltd., are being moved to their factory in Parkdale, Toronto. This move is being made to bring the administrative, sales and production staffs more closely together.

New modern offices have just been completed which will house the complete clerical staff under ideal conditions with an abundance of sunlight and filtered air ventilation. The entrance to the new general administrative and sales offices will be at the head of West Lodge Avenue.

OVER 1,300 Canadian Companies
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WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal	Date Sold	Sold to	Rate	Maturity	Amount	Price	Basis
Black Lake, Que.	Oct.	Banque Canadienne Nationale	5½%	10-ins.	$62,000	94	6.77%

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year end	Net income 1930-31 $	Net income 1929-30 $	Common earnings 1931 $	Common earnings 1930 $	Curr: divd. $	Balance car. fwd. 1931 $	Balance car. fwd. 1930 $	Mkt.	Mkt. times earn.	Yield %
Ogilvie Flour Mills Co.	Aug. 31	755,149	1,127,436	8.20	13.17	8.00	3,172,298	3,157,149	135	16.5	5.9
St. Lawrence Flour Mills Co.	Aug. 31	65,787	77,524	2.12	3.11	...	369,846	344,309	16¼	7.8	...

Like
a rare old
WINE

Lunch—these busy days—takes on new interest when there's a cool, emerald bottle of Canada Dry—the Champagne of Ginger Ales—gracing the table.

For it's a charming companion if you dine alone—a gay and sparkling partner if you are entertaining a business associate. Like a rare vintage it invites you to taste its wonderful flavour. And it gives a zest to your appetite—a sense of completeness to the whole meal—that you'll appreciate more as the afternoon goes on.

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Municipal Bond News

FOR over forty years this organization has been devoting its efforts exclusively to the publication of accurate State and municipal bond news. Not "flash" items or rumors, but carefully prepared news covering all the technical requirements of the municipal market have been responsible for its recognition as "The Authority on Municipal Bonds" It is, therefore, the logical medium for municipal bond sale advertising.

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Real Estate

Have you a Store or a House for rent?

It is not easy to rent stores and houses as it used to be. Knowledge of where prospective tenants may be found, and energy to go after them were never more necessary. These are the two things we bring to owners who entrust their properties to our management. The number of satisfied owners whom we serve is convincing proof that we not only know how to secure tenants, but also how to hold them and keep property within the range of a profitable investment.

We invite inquiries from owners who may not be altogether satisfied with their present arrangements. Correspondence strictly confidential.

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News of Investment Markets

MARKED CHANGE HAS BEEN MADE IN CORPORATE

Two New Series of Original Fixed Trust Show Latest Trend

NO RESERVE FUND

Accumulative and Distributive Types Now Offered —Portfolio is Enlarged

With the offering of two new series of Corporate Trust Shares by Administrative & Research Corp., one of the oldest and largest fixed trusts gives effect to the change in conditions that has taken place since Corporate Trust Shares, original series, was offered early in 1929. The investor is now offered a choice between a fixed trust of the capital accumulative type or of the distributive type. The new portfolio, the same in both of the new series, also shows the trend of the times with certain rail and oil stocks carried by the first trust being dropped in favor of public utilities, while the number of shares of each stock has been increased.

A description of the new distributive series of Corporate Trust Shares will serve for both of the new series since there is no great difference between the distributive and the accumulative types with the exception that in the latter full shares secured through stock dividends or stock split-ups are retained in the portfolio while in the distributive type these are sold and the proceeds distributed.

Increase Holdings

The number of stocks in the portfolio has been increased to 30 instead of the 28 in the original trust and eight of the original stocks have been dropped and ten have been added. There are now 16 shares of each stock in a unit rather than four and against each unit 10,000 of the new Corporate Trust Shares are issued. The effect is to somewhat reduce the price of the new shares from that prevailing for the old shares. In the accumulative type the increase in the number of shares to 16 allows of fewer fractions which must be sold.

Distributions will be made semi-annually, June 30 and December 31, from the regular and extra cash dividends received and the proceeds of sale of subscription rights, stock dividends, extra shares secured in stock-split-ups, stocks that may have been eliminated from the portfolio and interest on accumulations compounded monthly. No attempt is made to stabilize semi-annual disbursements by means of a reserve fund such as was a feature of the original trust. In the case of the accumulative series full shares obtained from stock dividends and stock split-ups are retained in the portfolio.

More Elimination Clauses

No substitution is permitted in the portfolio but the clause providing for elimination of stocks has been considerably broadened. Originally elimination was permitted only after a stock had no paid dividends for one year and 30 days whereupon it was compulsory. This clause is still retained but further provisions have been added that grant much more scope to the depositor corporation. These provisions permit elimination if there is too narrow a market and if shares are removed from trading privileges on an exchange for a period of over three days. Should a stock sell at 30 times its indicated current annual dividend rate it may be eliminated thereby permitting profit-taking. If a dividend of less than 3 1/3 per cent per annum is being paid on a stock in the portfolio and this stock represents the only security on which interest or dividends are being paid by the issuing corporation the stock can be eliminated. Elimination can also take place if the current annual rate of regular cash dividends shall be reduced or omitted, such rate being first adjusted to take into account any reclassification and any stock dividend in excess of 10 per cent.

The trustee's fees are paid for the duration of the trust except for fees in connection with registration or exchange of certificates for shares, certain legal and other expenses not specified and a handling charge of 1 per cent of cash received from the trustee when converting trust shares into underlying securities or into cash. The trust terminates on June 30, 1951. Chase National Bank of New York is trustee.

Load is 9½ Per Cent

The trust shares are priced on the basis of total current market value of the stock unit, including minimum stock exchange commissions and odd-lot brokerage to which is added 9½ per cent of this total for administration, distribution costs and profit and accumulations. The loading charge represents some 8½ per cent of the cost price of the trust shares before accumulations at current prices. The total cost plus loading charge of a unit is divided by 10,000 to get the cost per share and the price of the individual share is adjusted to the next highest 5 cents.

Various supplemental services are offered to trust shareholders and are provided for in the trust agreement. These include publication of the amount of each semi-annual disbursement per share; details of reinvestment privileges; announcement of dividend paying agents; supplying of income tax data; and an annual audit of trust distributions.

The portfolio now includes 16 shares of each of the following 30 stocks in each unit; stocks not included in the original portfolio of Corporate Trust Shares being marked with an asterisk.

Allied Chemical & Dye Corp.*
American Can Co.*
American Radiator & Standard Sanitary Corp.
American Smelting & Refining Co.*
American Telephone & Telegraph Co.
American Tobacco Co. B common.
Atchison, Topeka & Sante Fe Rlwy. Co.
Borden Co.*
Columbia Gas & Electric Co.*
Consolidated Gas Co., N.Y.
E. I. duPont de Nemours & Co.
Eastman Kodak Co.
Electric Bond & Share Co.*
General Electric Co.
International Harvester Co.
National Biscuit Co.
New York Central Railroad Co.
North American Co.*
Otis Elevator Co.
Pennsylvania Railroad Co.
Procter & Gamble Co.*
Standard Oil Co., Indiana.
Standard Oil Co., New Jersey.
Texas Corp.
Union Carbide & Carbon Corp.*
Union Pacific Railroad Co.
United Gas Improvement Co.*
United States Steel Corp.
Westinghouse Electric & Mfg. Co.
F. W. Woolworth Co.

The eight stocks contained in the original portfolio of Corporate Trust Shares and which have been dropped from the portfolio of the new series are as follows: Illinois Central Railroad Co., Ingersoll-Rand Co., Louisville & Nashville Railroad Co., Southern Pacific Co., Standard Oil Co. of California, Standard Oil Co. of New York, United Fruit Co. and Western Union Telegraph Co.

Holders of the original issue of Corporate Trust Shares, of which there is nearly 20,000,000 outstanding, can sell their shares at a premium of 1/8 over the bid price providing all of the cash so received is used in the purchase of the new Corporate Trust Shares.

Bond Tenders

Montreal Catholic School Commission will call for tenders for the purchase of $700,000. Bearing interest at a rate not exceeding 5%, 30 years, and payable in Canadian funds. This issue will be a renewal of the temporary loan made through the issue of $700,000 of bonds, 6%, dated November 1, 1921, and maturing November 1, 1931. Jean Casgrain, sec.

12 o'clock noon, Oct. 20, Howick School Municipality—$8,000, 5½ per cent bonds, dated July 31, 1931. T. Gebbie, sec.-treas.

1.30 o'clock p.m., Oct. 21, School Commission of Chicoutimi—$19,000, 5½ per cent, 15 year serial bonds. J. E. Blackburn, sec.-treas.

5 o'clock p.m., Nov. 3, Town of Magog, Que.—$65,000, 5 per cent bonds dated Nov. 1, 1931, redeemable serially from Nov. 1, 1932 to Nov. 1, 1961; payable at Can. Bank of Commerce, at Magog, Montreal or Quebec. A. Girard, sec.-treas.

BRITISH COLUMBIA

The following certificates have been issued by the Municipal Department of British Columbia upon the following dates: June 24, 1931: Courtenay, "The Streets' Improvement Authorization and Debenture By-law, 1931," No. 233, $3,000, 15 years 5 per cent; June 26, 1931: District of Summerland, "Electric Light Loan By-law 1931," No. 304, $6,000, 15 years 5 per cent; June 26, 1931: "City of Vernon, Water Works System (Kalamalka Lake) Loan by-law 1931," No. 568, $45,000, 20 years 5 per cent; June 26, 1931: "City of Kamloops, Local Improvement Consolidating By-law No. 683," $11,259, 10 years 5 per cent; June 26, 1931: City of Courtenay, "The Electric Light and Power Authorization and Debenture By-law 1931," No. 232, $5,000, 20 years 5 per cent; June 29, 1931: City of North Vancouver, Local Improvement Debenture Consolidation By-law No. 1295, $18,436, 15 years 5 per cent; June 29, 1931: "The City of Chilliwack Local Improvement Consolidating By-law 1931," No. 549, $23,500, 10 years 5 per cent; June 29, 1931: District of Oan Bay, "Local Improvement Consolidating By-law" No. 653 $10,893, 10 years 5 per cent; July 4, 1931: City of Rossland, "Street Pavement Debenture By-law," No. 415, $26,000, 20 years 6 per cent; July 4, 1931: "Rossland High School Debenture By-law," No. 416, $9,500, 20 years 6 per cent; July 4, 1931: Ctiy of Rossland, "Waterworks Authorization and Debenture By-law," No. 411, $9,000, 20 years 6 per cent; July 4, 1931: City of Rossland, "Fire Truck and Fire Hall Improvement Debenture By-law No. 413, $9,000,000, 20 years 6 per cent; July 4, 1931: "Trail Creek Channel Debenture By-law," No. 696, $30,000, 20 years 6 per cent; July 4, 1931: City of Nelson, "Local Improvement Consolidating By-law No. 765," $17,962, 10 years 5 per cent; July 8, 1931: City of Kamloops, By-law No. 684, $15,000, 20 years 5 per cent; July 8, 1931: District of Burnaby, "Local Improvement Debenture Consolidation By-law" No. 1258, $30,370, 10 years 5 per cent; July 17, 1931: City of New Westminster, "Local Improvement Debenture Consolidation By-law" No. 1305, $9,111, 5 years 5 per cent; July 17, 1931: "The City of North Vancouver Local Improvement Debenture Consolidation By-law" No. 1294, $31,551, 20 years 5 per cent; Sept. 17, 1931: City of Fernie, "Road Improvements By-law 1931," No. 318, $7,500, 20 years 5 per cent; Sept. 17, 1931: City of Fernie, "Park Improvements By-law" No. 319, $12,500, 20 years, 5 per cent.

Oct. 20—Howick School Municipality: $8,000, 5½ per cent bonds. T. Gebbie, sec.-treas.

Nov. 5—Town of Magog: $65,000, 5 per cent 30-year serial bonds. A. Girard, sec.-treas.

Oct. 21—School Commission of Chicoutimi: $19,000, 5½ per cent, 15-year serial bonds.

Bond Redemptions

National Trust Co., Toronto, as trustee for the 6½ per cent first mortgage bonds, of Pacific-Burt Co., due 1937, is asking for offers up to October 27 to exhaust $28,300. Prices asked will be deemed to include accrued interest and to apply to the whole or any part of the principal amount offered.

Bond Issues—	Rate	Due	Redeem.	Price
Dom. Glass Co. ...	*6%	1933	Dec. 2	110
B.C. Telephone ...	*4%	1932	†Nov. 1	105
Cascade Water Power	4½%	1940	†May 1/32	100
Interlake Tissue Mills	*6%	1935	Feb. 1/32	101
Maine & N.B. Electrical Power	*6%	1948	Jan. 1/32	107½
Northern Electric	*5%	1939	Dec. 1	105
Pac. Burt Co. ..	*6½%	1937	Oct. 27	offer
Imp. Realty	*6%	1945	Jan. 1	103
Foreign Issues—				
Kingd. of Norway	*5%	1967	Dec. 1	100
City of Oslo, Norway	5½%	1946	Feb. 1/32	100
Danish Cons. Ext.	*5½%	1955	Nov. 1	100
Kingd. of Belgium	*7%	1956	Nov. 1	105

*Called in part.
†Or before.

New Creosoting Plant

Timber Preservers Ltd., creosoters of timbers, have completed plans for the erection of a new plant at Vancouver at a cost of $150,000. It will be one of the most modern and best equipped on the Pacific Coast.

BOND PRICES WERE STRONGER IN PAST WEEK

5 p.c. Yield Attracts Small Investors; No New Financing

Canadian high-grade bonds have shown decided strength during the past week or more in marked contrast to the slump that materialized when Great Britain announced temporary suspension of the gold standard. Prices, however, are still far below those prevailing in mid-September and the movement has not as yet gone far enough to indicate where the new price level will be established. It is taken for granted that, with the Canadian dollar quoted at a large discount and the confidence of United States investors in Canadian securities not too pronounced, it will be difficult for high-grade bond prices to return immediately to levels that have prevailed during the past year.

One development of recent weeks that is of interest is the entry of small private investors into the market due to the opportunities presented of buying Dominion of Canada direct obligations and guaranteed issues at a 5 per cent yield basis or better. Small investors have not been in the market to any great extent for some time although considerable money has been available for investment from such sources. The psychological effect of a 5 per cent yield or better from Canada's premier issues has tempted some of this money into investment channels although the movement has not attained any great proportions as yet.

Conditions are still adverse to provincial or municipal financing and no announcement of importance in this field has been made for more than three weeks. The effect of this cessation of funding operations is to increase bank loans to municipalities which must eventually be retired by issuing bonds. There is a substantial amount of municipal financing to be undertaken which is being increased by present conditions.

Unless demand increases sufficiently to meet the supply of new bonds which must eventually come on the market it is expected that there will be some adverse effect on prices that the municipalities can obtain.

An indication of recent strength in Canadian bond prices is evidenced by the fact that "street" prices on a list of 43 Canadian bonds on October 13 showed 32 gains, five losses and six unchanged from quotations of October 7. The prices at October 7 showed 33 losses, three gains and five unchanged when compared with prices at September 29.

Quebec City Issues Financial Statistics

Assessed value for taxation of property in Quebec City is $117,524,442, after deduction of $47,514,700 assessed valuations exempt from taxation, according to financial statistics of the city recently available for the fiscal year ended April 30, 1931. Tax rate in the year ended that date was 32.90 mills and tax levy amounted to $3,739,094 of which $1,202,648 remained uncollected. Total accumulated tax arrears at April 30 amounted to $2,925,495, compared with $2,200,000 in the previous year.

Value of the city's assets at April 30, 1931, was $29,011,650. Current revenue in the year amounted to $3,664,512 and expenditures to $3,661,126. Gross debenture debt was $24,500,235 against which there was sinking fund on hand of $1,701,117 with no arrears. Total other liabilities of the city, including floating debt, amounted to $5,591,954. In this statement schools are excluded.

Population in 1925 was 124,341 and according to a municipal census in 1929 it was 136,172. According to preliminary figures of the Dominion Census of 1931 the city had a population of 129,103.

North-American Earns Interest 4.12 Times

North-American Elevators Ltd. showed increased earnings during September and some decrease in operating and administration expense to bring net operating profit, before interest, depreciation and income tax to $69,094 for the five months' period ended September 30. In this period interest charges amounted to $16,774 and were therefore earned 4.12 times.

Operating revenue of the company, derived from elevating, storing and grinding, is substantially above the corresponding period of 1930 which was the initial period of operation. In the first five months of the current fiscal year starting May 1, revenue was $115,748 and operating and administration expense was $46,654.

I. B. A. A. Convention to be Held in November

The annual convention of the Investment Bankers Association of America will be held at White Sulphur Springs, W. Va. from November 7 to November 11. The first two days will be given over to meetings of the board of governors and committees. The first convention session will be on Monday, November 9, and sessions will continue on November 10 while on Wednesday morning, November 11, the election of officers and governors will be held.

As usual a number of entertainment features have been arranged and on the afternoon of November 10 a golf tournament will be held for the Investment Bankers' Association of Canada trophy.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal	Date Sold	Sold to	Rate	Maturity	Amount	Price	Basis
Black Lake, Que.	Oct.	Banque Canadienne Nationale	5½%	10-ins.	$62,000	94	6.77%

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year end	Net income 1930-31	Net income 1929-30	Common earnings 1931	Common earnings 1930	Curr. divd.	Balance car. fwd. 1931	Balance car. fwd. 1930	Mkt.	Mkt. times earn.	Yield
		$	$	$	$	$	$	$			%
Ogilvie Flour Mills Co.	Aug. 31	755,149	1,127,436	8.20	13.17	8.00	3,172,298	3,157,149	135	16.5	5.9
St. Lawrence Flour Mills Co.	Aug. 31	65,787	77,524	2.12	3.11	...	369,846	344,309	16⅛	7.8	...

MAPLE LEAF GAIN DURING LAST YEAR DUE TO ECONOMIES

Shareholders Hear Story of Success in Difficult Milling Year

Maple Leaf Milling Company's net operating profit of $143,428 for the year ending July 31, 1931, was made in the face of "what was probably the most difficult year which the milling industry has passed through for a very considerable period," stated Major A. E. Nash, retiring managing director, in the course of remarks to the shareholders who attended the annual meeting on October 9, 1931, in Toronto.

"The general depressed condition throughout the world affected all industries, and the milling industry was not exempt, resulting in lowered prices for the company's products, including a very serious falling off in feed prices," continued Major Nash. "It says much for the company's stability, that in view of all the conditions it was able to make any profit at all, particularly after providing such substantial write-offs."

Major Nash said that the substantial reductions made in costs and expenses largely contributed to the improved showing. In addition, many old and outstanding matters were adjusted and obligations taken care of. The reduction in the liabilities during the year totalled over $2,700,000, and the liquid position was much improved.

All known bad debts were written off during the year against the reserve account. Other reserves were strengthened during the year, so that the total of all reserves increased from $858,639 to $1,196,998. Of this increase $200,000 was provided out of the surplus arising from the reduction in capital. In addition to the increase in the reserves there was written off goodwill and trademarks $100,000, and off the appraised value of leases and contracts a further $100,000.

Major Nash told the meeting the amount due by former officers was reduced during the year by $44,000. Directors and the management followed up the matter of recovery from these former officers very actively, as a result of which additional securities of very substantial amounts were received during the year, the value of which has not been reflected at all in the statement presented.

Interest was paid promptly on bonded indebtedness, and bonds to the amount of $125,000 were redeemed during the year.

Officials were optimistic for the coming year, pointing out that cuts in operating expenses, which enabled the favorable showing for the past year, would also work to the company's advantage in the year to come. It was proposed that Major A. E. Nash, who has resigned as managing director, but who retains his seat on the board, should act as chairman of the executive committee, designed for the purpose of holding frequent meetings without calling to Toronto all out of town directors.

D. Campbell MacLachlan, who assumed his duties as general manager at the first of October, spoke briefly.

Over 95,000 shares were represented at the meeting, and many holders of A and B preferred and common issues were present personally. Directors as re-elected were: President, C. W. Band, and J. L. Henderson on behalf of preferred shareholders. H. J. Symington, A. E. Nash, R. Cooper, D. L. Cameron, E. R. DeCary, Arnold C. Mathews and R. S. Waldie on behalf of common shareholders.

In moving adoption of the by-law providing for writing down the value of common share capital Major Nash said the object is to bring this item more into line with current conditions and to provide for writing down the appraised value of leases, contracts, and of goodwill and trade marks, and also to increase the reserve for contingencies. It was passed.

ASKS FOR EXTENSION OF C. & T. MORTGAGE

Trustee Offers Stock in New Company to Stimson Creditors

Negotiations are still under way with the object of retaining the equity of preferred shareholders of Commerce & Transportation Building Ltd. and subscriptions to shares of a new company which would take over the building are being received by G. T. Clarkson, trustee. During the past few weeks there has been some change in conditions caused by the high premium on New York funds and an extension of six months' time is being sought from the mortgagees in which to pay off arrears on the mortgage. If this is not granted, title to the building will pass to the mortgagees on October 27.

Not only are preferred shareholders of Commerce & Transportation Building Ltd. and debenture holders of Stimson's Building & Investment Co. being offered preferred stock of the new company with a bonus of common, but shareholders in other G. A. Stimson Co. enterprises are also being offered the opportunity to buy. If the original plan goes through, the only obligations outstanding against the building, which is valued at $1,825,000, will be a mortgage of $850,000, preferred shares having a total par value of $150,000 and 45,000 shares of common stock of $10 par value. Under this arrangement the preferred stock is believed to be well secured. On the basis of present rentals, running about 60 per cent, it is claimed that the building could earn interest charges and dividends at the rate of 7 per cent on the preferred stock.

A loan of $850,000 has been sought in New York for the building but has been refused in light of present conditions and an extension of six months will be necessary in order to save the building for the original investors. There are two alternatives that are possible; either the mortgagees will extend the due date by another six months or the mortgagees will permit the Stimson creditors to repurchase the property at any time within six months. In the meantime subscriptions are being received from Stimson creditors and if it is later found impossible to place the present plan in operation these subscriptions will all be returned.

Dividend Deferred by Harrison Hotel

Dividend payment has been deferred on the preferred stock of Harrison Hot Springs Hotel Co. pending the results of next season's operations. The resort has been affected by current conditions and it is considered advisable that cash should be conserved. The last preferred dividend was paid on July 1.

The company operates a hotel and health resort at Harrison Hot Springs, British Columbia. There are some 3,000 preferred shares of $100 par value outstanding and 55,000 shares of $10 par value common stock.

ADDED AUTO UNITS TO BE MADE HERE

McKinnon Industries Has Added Four New Lines to Its Schedule

Arrangements have been made whereby five important units of motor car production, four of which have never previously been manufactured in Canada, will in future be turned out in Hamilton, Ont., according to H. J. Carmichael, president of the McKinnon Industries, branch of General Motors of Canada, which is the firm which will make these units.

"Saginaw" steering gears, "Lovejoy" shock-absorbers, "Delco-Remy" ignition coils, "A. C." spark plugs and axel-shafts are the five parts now to be made in Canada, which will mean the employment of an additional 200 to 250 men at the McKinnon plant. The parts will be used in Canadian plants of the General Motors, thus providing for the 50 per cent of Canadian-made parts called for in the assembly of cars by the recent announcement of Premier Bennett.

The operations involved in manufacturing these additional units will materially relieve and offset the general dullness due to the present reduced scale of automobile production.

HIGH AUTO LOSS IN SASKATCHEWAN

Payments Exceed Premiums for Cars and Trucks in 1930

Saskatchewan's automobile fire loss record is not very satisfactory, according to figures quoted by Hon. J. F. Bryant, K.C., minister of public works and in charge of fire prevention in that province.

In 1929, for every $100 collected in fire insurance premiums on private cars, said Mr. Bryant, $112 was paid out in fire losses. In 1930 this had increased to $139. On commercial trucks the records show that, for every $100 collected, $170 was paid out in fire losses in 1929. This increased to $182 in 1930.

During the course of his address, Mr. Bryant pointed out that the losses by fire on properties insured in Saskatchewan in 1930 amounted to approximately 56 per cent of the premiums paid, and that Saskatchewan's fire losses during 1930 amounted to $3,504,293.

Seven Fires Per Day

Fifty-four lives had been claimed by fire during the last six years, he said, adding that the majority of the fires were preventable.

Summarizing the loss sustained by Saskatchewan in 1930, Mr. Bryant stated that 2,558 fires had been reported in the year, or an average of seven each day. These fires, he said, had taken a toll of 1,093 homes, or an average of three homes for every day in the year.

Mr. Bryant expressed some alarm at the rising fire losses, and read from the records to show that the fire losses for the first six months of 1931 had shown an increase of $393,104 over the same period of 1930.

FIVE U. S. MAKERS GET 8 MOS. GAIN

Auburn Sales Up 175½ p.c. —Plymouth Sales Heaviest July-August

Despite a shrinkage of 27.7 per cent in the volume of United States passenger car registrations during the first eight months of the year, five makes of car showed an increase in retail sales compared with the same period last year. Leading all others in this respect, Auburn jumped from 9,137 cars in 1930 to 25,178, representing an increase of 175.5 per cent. Cadillac sales were 14.5 per cent higher at 8,533; Willys were up 14.4 per cent at 29,710; Plymouth, up 10 per cent at 53,506; and Pontiac, up 8 per cent at 60,189.

The most striking increase in the past few months has been recorded by the Plymouth, which, since the introduction of the new models on July 1 last has converted a shortage of 13,976 cars as for the first six months of the year into a gain of 4,841 for the eight months' period.

New passenger car registrations were 584,168 fewer for the eight months' period, being 1,527,186 as against 2,111,354 in the same period last year, a reduction of 27.7 per cent.

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1926	719,294	5,908,285	2,708,655	8,336,648
1930	933,690	9,138,215	5,146,249	15,218,670
1931 (To Oct. 1)....	1,036,140	9,863,644	5,421,262	16,321,046

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TORONTO, OCTOBER 17, 1931

WHY NO REPORT ON FARM LOANS

THE Federal Farm Loan Board, which has been in operation nearly three years, has loaned nearly $8,000,000 to upward of 3,500 farmers.

The board has yet to issue an annual statement, or any statement giving complete data upon its operations. Lacking such a report the public will probably conclude that the financial results are such that the government does not care to make them public.

Facts in regard to the operation of the board, reliable although unofficial, are of interest. Although the board seems to have put out a good deal of money on long-term loans, the percentage of loans to applications is almost one to three. The board, however, is now well established as a loaning body and the next few years should demonstrate its ability to be self-sustaining, which was the foremost objective of those who framed the statute and put it through parliament.

The board is operating in six of the nine provinces. In Saskatchewan and Ontario there are provincial loan systems of long standing, and Prince Edward Island has not, as yet, come into the federal scheme.

A few facts in regard to the financial set-up of the board will indicate why the next few years will be of great importance in judging the efficiency of the experiment. The board operates through subsidiary provincial boards in each province where loans are made. The Federal government started the board up in 1929 with $5,000,000 cash. This money was given to the board free of interest for three years. Thereafter it is to bear interest at the rate of 5 per cent.

Then the board has capital stock in $1 denomination. The Federal government will subscribe to this stock to a total of 5 per cent of all loans. Each province will subscribe to 5 per cent of the loans made within its boundaries. Every borrower must purchase stock to an amount of 5 per cent of his loan. The borrower's stock is bought back when his loan is repaid, but the other stockholders, apparently, are to be permanent.

When the $5,000,000 is loaned, and the board requires additional money, it is authorized to issue bonds to an amount not exceeding 20 times its paid-up capital stock. Against these bonds the stock is given as security, also the mortgages in the possession of the board. About one year ago the board authorized an issue of $2,000,000 5 per cent farm loan bonds. Of this issue, $300,000 at least, perhaps more, have been sold to the Minister of Finance. It was the expectation of parliament, when the act was under discussion, that the board would be able to sell bonds in the open market, and thus finance itself. These expectations have yet to be fulfilled. The bonds, of course, have no particular advantages. In the United States, the farm loan bonds are tax-free. In Canada no special inducements were held out, and the farm loan bond is just like any other bond. The board, it seems, endeavored, quietly, to interest the underwriters in this issue of bonds, without success. The Finance Minister, finally, took them up, or as much as was necessary to carry on the active operations of the board.

The board is loaning at 6½ per cent, with 7 per cent on all arrears. All loans are for long terms, and payments are on the amortization system. In Quebec, the provincial government pays 1½ per cent of the interest, thus giving Quebec borrowers their money at 5 per cent.

In the past year, like most other mortgage companies, the Farm Loan Board has met rather heavy weather. Very little is being said about the condition of its accounts, but collections, particularly in Western Canada, are very slow. In common with private concerns, the board has decided not to foreclose on the Prairies, although in cases where a borrower is known to have the money distress proceedings are being taken to enforce payment. In Quebec, conditions are much better, also in the Maritime provinces.

Since its inception, the board has had to make one or two important changes in personnel. One of the head men in the subsidiary Manitoba office was discharged. Criminal prosecution followed. A supervisor in Quebec, also, was retired.

All this information is unofficial. When can the public though be told how much the scheme is costing Canada?

WHEN THE INDIVIDUAL SEEMS POWERLESS

THE individual can do a great deal so to order his affairs that the impact of world movements in finance will affect him as lightly as possible. The old attribute of thrift plays a chief rôle in such a programme, but beyond thrift there must be a sound and conservative policy of investment.

But there is a point beyond which individual effort cannot go to protect investments or to maintain business on a steady keel. The fundamental movements in world economics are so overpowering that the best laid plans of the wisest individual may easily be upset by causes quite beyond his control. It is the demonstration of this fact that the present period of depression has given us that is undermining the habit of thrift. One frequently hears sensible people, in conversation, declaiming against monied interests who have brought them close to ruin. What is the use of saving and investing money when jealous politics, bad banking, or selfish exploitation may ruin one's whole efforts, it is asked.

It becomes apparent then that the restoration of confidence and stability in our economic system depends upon more than the collective action of private individuals. The leaders of government, of banking, and of business exercise power for good or bad that seem in periods of crisis greater than the collective power of private individuals. World politics and world banking are dominant influences and only to the extent that they are unselfish, wise and constructive can the wealth and comfort of the individual be protected.

When the financial leaders of the world show themselves to be as badly informed as the man on the streets or, what is worse, selfish for wealth and power at whatever cost to humanity, the economic structure that gives them this scope is subjected to pressure that it can withstand only with difficulty.

Let us not lose the saving grace of thrift, intelligently directed effort and common sense business principles, but at the same time let us recognize that all these factors can only succeed to the full when there is intelligence in high places.

ELEMENTARY FINANCE SHOULD BE TAUGHT

IT IS quite obvious that the chief reason that investors have lost so heavily in the slump of security prices is that most of them rely largely upon advice that they get from other people—chiefly investment bankers, stock brokers, and branch bank managers — and so little upon their own good judgment, experience and knowledge. The advice may be good most of the time but advice is never a substitute for decision based on knowledge. The man who observes the fundamental principles of investment will probably make only moderate losses in a period of deflation. There are, of course, many good books on investments. The Financial Post has published some of these. One handy little volume under the title, "How to Invest For Profit" deals with investment principles in a fundamental manner. Another smaller volume, "Making Money in Common Stocks" points out not only constructive rules but many of the pitfalls that beset those who attempt to make a quick fortune out of the purchase of junior securities of corporations. But there is need for more widespread understanding of finance, thrift and investment, among the rank and file of the general public.

Would it not be possible for our high schools and public schools to be made the medium for some education in the principles of finance. It is not essential that the high school student should be given a course in investing, although there is no reason why greater emphasis should not be placed upon this in the colleges where the curriculum might well include a comprehensive outline of investment principles. In the high schools and public schools, the training would be elementary and in some cases, it might be subtle and indirect. For instance, arithmetic text books present to school children problems relating to the hanging of wall paper, and the number of apples that can be put in a basket of a given size, or the number of miles a man can walk if he is walking half as fast as a freight train can travel. Such problems have a real value. But how often is a public school student asked to work out the average yield on a bond or a stock at a certain figure; how often is he asked to work out an arithmetical problem dealing with the dividends that could be paid by a company with a certain capitalization, making a certain profit and with certain reserves to set up; how often is he ever asked to work out a simple answer to a question which opens up to his imagination, the whole fascinating field of finance and investment?

The students who leave public school should have at least a sketchy knowledge of what is the purpose of investment and how money is saved and how it is used. At high school he should have at least a knowledge of how the brokerage and investment business is operated and how investors should meet their initial problems.

WHY ALL THE FUSS ABOUT THE ROBOT?

THE movement for the six-hour day is gaining considerable force. But many of those who are backing it seem to have their ideas out of perspective. They are promoting the idea of the six-hour day as a way to spread employment around among all those who wish it, and thus to solve the unemployment problem that is a single phase of the current period of business depression. Many corporations have already shortened working hours as preferable to reducing staffs, and undoubtedly there are many other industries that could follow suit. But what should not be overlooked is that the shorter weeks were in the making long before this current business downturn developed.

At the beginning of the century the ten-hour working day was standard in most factories and the twelve-hour day was standard in the steel industries. There were even some groups of workers on a thirteen-hour shift and the wearying length of their hours of labor was not greatly relieved by the fact that during this thirteen hours they were working at the peak of their strength for only short and separated periods.

These hours of labor have gradually been shortened and the 44-hour week, has been widely accepted. There is no reason to believe that the length of the working week will not tend to shorten even further.

The most important factor in relieving mankind of lengthy physical toil is the adaptation of machinery. At the moment the machine is very unpopular with many theoretical economists and writers on sociological subjects, for it is held to create technological unemployment. Many crocodile tears are shed over the plight of workers who have been ousted by the robot. But the use of machinery is the logical result of the application of scientific research to industry. The machine has reduced the number of hours of physical toil required for the production of the world's manufactured goods and it is a strange commentary upon the perverseness of human nature that so many people should consider any reduction in physical toil as a backward step.

Undoubtedly many of the problems in the current economic situation have been improperly blamed upon the use of machinery. It may be that we have not been able to apply machinery and take up the slack evenly, with the result that there has been some temporary inconvenience and unemployment caused on occasion. This is inevitable but common sense will enable industrialists to make the absorption of machine energy as easy as possible.

The machine, by making possible a shortening of hours of labor, is contributing to the comfort and happiness of mankind as well as to its material benefits. It is machinery that may eventually make possible the six-hour day and possibly even the five-day week.

PRICE STABILITY AND BUSINESS

ALMOST every sort of panacea has been offered for depression but the glib wise-acres have overlooked one—initiating a movement to restore the High Cost of Living. Of course, there are schemes to lift the price level, which amounts to the same thing.

The H. C. of L. was a favorite topic for editorial discussion and political stumping in the pre-war and war days. Now it is as dead as single tax or the German naval menace.

What was the High Cost of Living? It was simply the lag between wages and rising prices. During the period that commodity levels were rising, sometimes slowly and sometimes rapidly, the adjustment in wages and salaries was not occurring at an equally rapid rate. The housewife's meat bill rose before the size of the pay envelope increased.

Just the opposite is taking place now. Food and living costs are dropping more rapidly than wage rates. But there is even more distress than there was in the days of the H. C. of L. Declining commodity prices affect employment unfavorably just as rising commodity prices tend to stimulate it. The H. C. of L. was at least accompanied by fairly general employment.

When deflation is over and commodity prices have stabilized again and may even have begun another generation of slow but insistent rise, the worker's requirement of steady employment will be nearer to realization. One of the jobs of industry will be so to order its affairs that executive organization combined with workers' thrift will prevent a recurrence of the distress that is due immediately to unemployment. The question of the ultimate level of wages remains to be worked out or rather to work itself out. In the final analysis, illusory wage scales that are beneficial only to the small minority who can find full time work must disappear. But a living wage that provides, at the new level of prices, a better living than any previous scale of wages, is something that may well be demanded by workers and that must be allowed for by industry in mapping out its future plans.

The prime minister insists that Canada is on the gold standard. But his opinion does not count with foreign exchange dealers.

POST-scripts

A LITTLE survey made recently by The Financial Post, among a number of people of different scales of affluence or otherwise, reveals one of the most vital weaknesses of speculation. It was discovered that many people, during the now historic boom days of security prices, carefully set aside a definite sum with which to play the market. They were prepared to lose this much if necessary, knowing that what they had firmly invested in government bonds and such securities would see them through life if the worst came to the worst. Now these people are, in practically every case, poorer by not only the amount of the money they reserved for speculation but also by a substantial proportion of their investment funds. How did it happen? In practically every case the answer is the same:

They bought on margin; when the market broke they were called for more margin; they put it up, where they had it, out of their speculation fund. They were called again and again for margin and instead of ordering their brokers to sell a portion of their speculative securities to meet the calls they dipped into their investment funds. The first bite was followed by other and bigger bites. One man, who had previously enjoyed the daily survey of a comfortable fortune, suddenly realized one day that he had thrown two-thirds of his good bonds into the balance to protect his speculative holdings and he wisely called a halt, sold out his account, got a job and went to work to replace the income he had lost.

The man who speculates should set a limit to his possible losses. When he reaches that limit he should not steal from his investment reserve to protect diminishing values in the other account. The old adage of the street seems to apply; the way to meet a margin call is to sell some of the stocks carried and not to put up additional cash.

SHAREHOLDERS sometimes picture the president of their companies tapping the ash from an expensive cigar in a large car or else seated in a luxurious boardroom playing backgammon with his directors; presidents, they think, are to be envied. But in reality shareholders are often luckier than they know, even though their stock does decline. The point is that the shareholder only has to think about the business when he feels like it, but his president has it with him all the time. W. G. Murrin, head of British Columbia Power Corp. recently told his head office employees what it felt like to be president of a company and started thus:

"The first point I would like to raise with regard to the job of a president is that, although he may get down later in the morning and leave sometimes earlier in the evening, his job is never done. Whatever he does, wherever he goes, whether on holiday or anywhere else, the job stays with him. There is no way that he can get rid of it. He has the responsibility and nobody can relieve him of it. I think unless one were fond of responsibility, or if one were not interested in the work, this would be a fairly heavy burden to carry, but it makes all the difference if one is interested in the work."

Other People's Views

Fears of Inflation

Journal of Commerce, New York.—A number of observers have been inclined to view the proposal to establish a $500,000,000 corporation to make advances on frozen banking assets as a measure of inflation, and therefore as necessarily objectionable.

Inflation refers to a condition of generally rising prices brought about by an increase in the volume of circulating media. At a time like the present, when prices are declining, any step that will stabilize the price level effectively, whether it involves an increase in the circulating medium or not, may be called inflation, but it certainly would be the right and proper one to take.

We have actually been suffering from a condition of deflation over the past two years. In so far as this condition involved certain necessary readjustments from a preceding period of unsound inflation, through expansion of security loans, it was inevitable. However, the deflationary forces have been gathering momentum, and the initial declines in prices have let loose forces which now bid fair to lead to disaster unless checked. Hence, any step which would tend to prevent unnecessary further deflation by easing the position of financial institutions through the remainder of the depression is to be hailed as highly constructive, although perhaps belated, and to tag it with a name like inflation is hardly of any help in determining its desirability or necessity.

Bribe of Bureaucracy

New York Sun.—The bribe invariably held out to the public on behalf of any scheme of public hydro-electric operation is the promise of cheap power. But over and over again experience has proved that the bribers cannot deliver the goods; they can only devise some hocus-pocus of bookkeeping that will fool the public into thinking it has received the goods. And even if cheaper power could be obtained by government operation it would not compensate the public for saddling itself with a bureaucracy that might easily become an autonomous agency more powerful than government itself.

Gold Standard to Stay

At the fourth Pan-American commercial conference in Washington, Dr. E. W. Kemmerer, of Princeton, discussed the gold standard.

Dr. Kemmerer in his address said: "One of the greatest problems before the world today is that of providing a more stable monetary standard than is the gold standard at the present time."

He predicted that the attention now being given to this subject by bankers, statesmen and scientific men, with the co-operation of central banks and the Bank of International Settlements, will result in substantial progress in the direction of currency stabilization in the next decade.

In spite of all fluctuations, Dr. Kemmerer asserted, gold during the past half century has been more stable in value than silver and more satisfactory than any managed paper currency with which the world has yet had experience. Improvements in currency in the future will come through improvement in the gold standard by co-operative effort rather than by substitution of some other standard.

Fifteen Per Cent of People Work for Government

Payroll of Government Employees Exceeds $400,000,000 Yearly in Canada

By DR. HORACE L. BRITTAIN,
Director of Citizens Research Institute of Canada, before Canadian Tax Conference, at Hamilton.

That the number of those employed in governmental operation in Canada has grown amazingly is shown by the most cursory glances at the statistics. In 1881 in Canada, out of 1,377,585 gainfully employed, 7,938 were employed in civil and municipal government. In 1921 out of 3,173,169 gainfully employed 94,541 were employees of civil and municipal governments. The total increased 137 per cent and number of governmental employees 1,091 per cent.

There is no reason to believe that the growth has materially slackened since 1921 although there have been reductions from the peak in some jurisdictions. While definite official figures are not available and while suitable basis for calculation are lacking in many particulars, the institute has attempted to make a rough estimate of the amount of public employment in Canada.

Dominion as Employer

In 1929, salaries amounting to $67,178,198 were paid to an average number of 44,356. In addition $23,630,227 was paid to non-enumerated classes, which at an average of $1,200 per person, numbered possible 19,692 persons, on the average in governmental employment. That is, some 64,048 persons on the average were employed by the Dominion Government in 1929 at a cost of $90,808,425.

In addition, the National Railways employed, in 1929, 111,383 persons with a salary and wage roll of $176,770,968. These amounts were measurably less in 1930. The amounts for the Canadian Government Merchant Marine are not available, but on the basis of 50 per cent of the total expenditure, $1,890,000 say, was spent on salaries and wages to say 12,600.

In addition there are 3,800 in the permanent military force. The amount of their payroll is not known. To these, and the members of the non-permanent active militia, the Royal Military College establishment etc., were paid, say, $5,000,000 out of the total of $11,003,404 to, say some 9,170 persons. Then there are the Royal Canadian Navy and the Royal Canadian Air Force. There are in the former, on the permanent force, say, 896 men and officers and on the latter 774 with a combined payroll of say, $170,000.

Thus in regular government employ 74,878 men were paid $101,981,829 and in the employ of government owned public utilities 123,983 men on the average, were paid $178,660,968. The whole Dominion establishment may be estimated at 198,861 with an annual payroll of $280,642,797.

Provinces as Employers

While the total number of provincial employees and the total provincial pay roll are not known, the three provinces of Ontario, Manitoba and Saskatchewan have 11,365 employees on the average and payrolls of $19,336,601. The Institute has reason to believe that at least 20 per cent of the total expenditure of the provinces goes to salaries and wages. If so, the total bill for salaries and wages would in 1929 be about $33,400,000. If the average pay was $1,500, the number of employees would be about 22,300. As the three provinces mentioned above have about 50 per cent of the population of the Dominion, these estimated figures for total provincial employees with total provincial payroll do not seem too large. If all the employees of all provincial trading operations were included the totals would probably be much larger.

Municipal Employers

In 1928, the total amount of municipal taxes in Canada, including that for schools was about $252,000,000 and the total expenditure on ordinary current account about $281,250,000. Not including the schools about $187,500,000 was spent on ordinary services of which about $75,000,000 went to salaries and wages. If the average pay was $1,250 this would mean about 60,000 municipal employees. These totals do not include, of course, the employees of all municipally owned utilities or their pay. This would be difficult, if not impossible, to estimate. It may be noted, however, that one Canadian city which pays $16,000,000 to employees of the municipality and the schools pays out altogether on salaries and wages $27,000,000.

Teachers In Addition

The reason for including these separately is because in some provinces part of the teachers' salaries come directly from provincial sources and in all other provinces indirectly. It is possible to get the actual figures for some provinces and to make a fairly close estimate on all. It is probable that in Canada there were in 1929, 68,888 teachers, paid out of public funds some $76,660,174.

The table below therefore, gives an approximation to the public personnel establishment of the Dominion and its annual cost in salaries and wages:

Authority	Average No. of Employees	Average Annual Payroll
Dominion	198,861	$280,642,797
Provinces	22,300	33,400,000
Municipalities	60,000	75,000,000
Schools (teachers only)	68,888	76,660,174
Totals	350,049	$365,702,971

If 35,000 employees (10 per cent) at an average salary of $1,250 be added to these totals to include among others the unknown number of employees of municipal and provincial public utilities not already included, the estimated number of public employees would be about 385,000 and the estimated payroll about $410,000,000.

These figures are probably an underestimate, but are sufficiently impressive to emphasize the necessity of the best possible system of personnel administration.

Paternalism and Relief Will Increase Tax Bills

By DAVID MITCHELL,
City Commissioner, Edmonton.

Undoubtedly the present unemployment leaves the various governing authorities practically no option other than to initiate large public expenditures for relief but there must be considerable apprehension in the minds of the citizens of Canada as to the inevitable accounting which must follow on the part of the taxpayer upon whom the cost must ultimately rest.

One sinister aspect of the present time seems to be the relative complaisance with which the public generally not only acquiesce in but in many cases, urge upon the government as their duty, the undertaking of all and sundry schemes of expending monies in this way, apparently oblivious of the existing burden of taxation and the additions which must accrue from further expenditures of this kind.

It may be granted that the present depression will pass, but for the immediate future we fear the burden of taxation must continue to press heavily.

Must Cut Out Frills

There is, however, a strong conviction in the minds of an increasing number of the public that in the matter of costs of government there has been a tendency for some time toward becoming topheavy and nothing would contribute more toward a restoration of public confidence than a serious stocktaking of our whole governmental machinery with a view to the elimination of many of those paternalistic "frills" which have become so common a feature of our legislation within recent years, and which have proved so costly indeed.

We most heartily subscribe to our united faith in the destiny and inexhaustible wealth of the country and devoutly hope for an early recovery from our economic and other maladies, but one of the surest ways you will agree by which we can hasten its consummation is by adapting ourselves and our standards of living to what is within our individual and corporate capacity to afford.

Scientific Taxing is Cure for Double Taxation

By K. W. TAYLOR,
Assistant Professor of Economics,
McMaster University.

"Double taxation" in its opprobrious sense is either

(a) That which results in unequal burdens which cannot be justified on moral grounds, or on grounds of special privilege or special ability to pay, or

(b) Taxation of property or business which can only by a legal fiction be brought within the taxing authority's jurisdiction, or

(c) That which results from com-

(Continued on page 13)

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Sherlock Holmes
solves the problem of the
KINGSTON MARKET

The Adventure of the SIX NEW INDUSTRIES

Since January, 1929, six new industries have located in and around Kingston, a self-contained trading area covered only by the Kingston Whig-Standard.

"Dominion Webbing Co., Ltd.,
"Hield Bros. Ltd.,
"Boyd's Automobile Body Works,
"McKelvey & Birch Ltd. Tank Works,
"Canada Steamship Lines Elevator,
"Canadian Terminals Elevator."
(under construction)

This was the list Holmes read out to me.

"Suggestive, is it not?" he queried.

"Decidedly so," I agreed. "Suggestive of a prosperous, progressive community, a fruitful, dependable field for advertisers."

"But only when it is properly cultivated," Holmes amended, "for remember the Kingston Trading Area, midway between Montreal and Toronto, is self-contained and no advertiser can hope to cover it unless he uses its own home newspaper, the Whig-Standard."

"Wonderful, Holmes."

"Elementary, my dear Watson."

Kingston is Growing

Building Permits (1930)	$1,056,986
Harbor Expenditures (1930)	
Government Work .	735,000
New Elevators. . .	1,250,000
Federal Institutions, pay-roll and maintenance (1930). . .	1,500,000
Provincial Institutions, pay-roll and maintenance (1930). . .	400,000
Queen's University, annual pay-roll . .	700,000
Increase in Hydro power users in district in 1930	
New subscribers.	550
New miles of line	112
Annual Purchasing Power, over. . .	$15,000,000

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GANANOQUE

The Kingston Whig-Standard
The Only Daily Paper in the Kingston Trading Area

Business Conditions in Canada

The Week in Business

Pendulum Swings in Favor of West
Saskatchewan Situation Greatly Improved
Maritimes Get Too Much Rainfall

SO MUCH has been heard of poor crops and declining Western purchasing power in the past year that Eastern Canada is inclined to overlook the fact that the pendulum has now swung the other way and that many favorable factors are now evident in the business prospect of the Prairie Provinces.

Alberta, for instance is in a particularly favorable position. To start with she is harvesting the fifth largest crop in her history and as some compensation for low prices she will receive over $5,000,000 as cash bonus from the Government for her wheat. Thus she will have over half the new wheat money of the West to spend this year, and furthermore crop production costs are the lowest in twenty years, having been cut from 10 to 50 per cent according to reliable estimates. Finally her cash income, from dairy, livestock and poultry sales, according to information being broadcast by the Southam newspapers in that province, will add another $1,000,000 a week to farm income.

* * *

FROM Saskatchewan also comes encouraging news regarding recent heavy moisture which has proven a godsend in improving the feed situation, and is laying the groundwork for an abundant harvest in 1932. During the last few days highly encouraging reports in regard to this situation have come from C. O. Stillman, president of the Imperial Oil Co., and Robert Henderson, inspector of branches, Canada Permanent Mortgage Corp., who have been recent visitors there and who both feel that the East is still laboring under a misconception as to the acuteness of western conditions.

Already Central Saskatchewan has gained considerable reserve moisture for the 1932 crop and a recent survey by the Regina Leader-Post shows that only two districts in the entire south Saskatchewan area have insufficient subsoil moisture at present. "All others have subsoil moisture enough to warrant ploughing, and with added rains and snow, farmers express the belief that 1932 should bring conditions that will give the agriculturist a fair chance for an average grain crop." A statement that is all the more remarkable since it affects an area which for three years has had hardly a drop of rain and where the clay topsoil was so dry that it had become like pulverized sand. Feed situation during the past two weeks is said to have improved wonderfully and where about six weeks ago there appeared to be no hope of any green feed, today the supply is ample and there will be sufficient cut to provide fodder for cattle and horses until after Christmas in most places.

* * *

ON THE other hand, Nature which earlier in the year turned a lavish hand on the Maritimes' fertile acres, seems to have temporarily turned her back on that favored part of the province. Latest reports from local correspondents there, received by The Financial Post, indicate that the weather has been so wet as to cause widespread damage among the potato crop, while harvesting operations have been considerably delayed and much damage done to the quality of the grain as a result of the wet season. Heavy gales also swept the Annapolis Valley toward the end of September causing losses to growers estimated at about 100,000 barrels. Fortunately the Maritimes has so far weathered the depression perhaps better than any other area in the Dominion, and the Maritimers have still plenty of reserves to draw on, in spite of these reverses.

TOURIST INFLUX FOR SIX MONTHS BUT 2 P.C. DOWN

But Total Was 25 Per Cent Higher Than in 1929

SOME PORTS GAIN

Canadian Tourists Entering U.S.A. Also Show Increase of Nearly 7 Per Cent

Number of foreign automobiles admitted into Canada for touring purposes during the first six months of the present year totalled 1,780,883, while the number exported for touring purposes was 221,335, according to figures supplied to The Financial Post by the Department of National Revenue.

Total cars admitted in this half-year period was only 1.8 per cent less than the 1,814,182 entering during the corresponding period last year, and was nearly 25 per cent higher than the number admitted in the first half of 1929. Comparison with any earlier year is impossible since no figures were compiled prior to 1929. Canadian cars exported, increased by 6.8 per cent over 1930.

Last year the six-months' figures represented but one-third of the total recorded for the whole year, autumn and fall visitors supplying the other two-thirds. Assuming a similar trend this year, there would be a total influx of approximately 5¼ million cars into Canada for the twelve months which would represent a decline below last year of under 3 per cent. It is doubtful if this high ratio will obtain during the second half of the year but even if there were a drop of 25 per cent in the number of entries for the second half-year below those of same period of last year the twelve-months total for 1931 would show an increase over the total for 1929, which was 4,508,809 cars, and this would not seem to be too optimistic a calculation.

Three Groups Listed

Records of touring car entries are divided into three groups according to the length of time the tourist intended to stay in this country. The largest group, naturally, is that showing tourists who came for 24 hours or less, and the total under this classification for the six months was 1,274,508. The next group shows the number of cars entering for a stay in excess of 24 hours but less than 60 days, the number in this class having been 505,833. The third group shows cars entering for a period of over 60 days but not in excess of 6 months, and the number reported under this head was 542, which compares with 464 for the same period in 1930.

Windsor was the most favored point of entry under all three period-classifications excepting for Bridgeburg where the greatest number in the 24 hours to 60 days' period were admitted. In the aggregate, however, Windsor was easily first, followed by Bridgeburg and Niagara Falls. Next, though with a far smaller number, came Walkerville, Rock Island, Sarnia and Edmundston, N.B. Windsor, however, was the only one among the larger ports of entry through which the influx of traffic was greater than last year.

Following table shows the most important points of entry, by totals for the two periods up to 60 days, with comparative figures for 1930:

Cars Admitted to Canada—First Six Months

Port of Entry:	For 24 hours or less 1931	1930	For 60 days or less 1931	1930
New Brunswick:				
Andover ..	7,365	6,469	1,482	1,133
Centreville.	3,488	3,798	353	252
Clair	11,461	.....	722	.....
Edmundston	23,975	15,228	1,609	1,089
Grand Falls	3,128	3,378	1,432	1,033
Richmond Rd.	12,749	10,624	1,988	1,864
St. Croix ..	3,043	2,962	302	262
St. Stephen	325	457	2,798	2,328
Quebec:				
Abercorn ..	6,708	7,088	1,854	1,996
Comin's Mills	1,400	2,135	1,459	1,087
Dundee ..	5,208	7,230	3,632	4,250
Frelighsburg	3,287	2,784	2,263	2,340
Hereford Rd.	12,921	9,790	1,471	1,640
Highwater .	2,205	7,577	7,542	3,089
Lacolle	4,790	5,685	9,291	7,229
Noyan	.....	5,835	4,532	3,160
Philipsburg.	698	2,778	23,456	20,889
Rock Island	23,669	23,606	5,614	6,766
Stanhope ..	4,460	3,144	4,618	3,840
St. André Rd.	3,725	.....	3,974	.....
St. Regis ..	6,750	6,414	323	407
Trout River	1,540	1,892	8,815	8,079
Ontario:				
Bridgeburg	238,094	395,606	176,196	48,823
Ft. Frances	10,401	13,361	374	384
Niag. Falls	207,209	270,464	43,649	44,393
Prescott ..	3,126	4,435	3,942	2,910
Sarnia	12,627	17,188	13,003	13,720
S. S. Marie	3,935	3,548	864	937
Walkerville	45,695	86,859	6,395	8,071
Windsor ..	529,215	488,701	83,732	58,937
Manitoba:				
Emerson ..	6,922	4,853	2,991	2,587
Gretna	3,420	3,096	93	79
Saskatchewan:				
North Portal	2,767	1,528	414	470
Alberta:				
Coutts	12,551	7,101	498	598
Br. Columbia:				
Aldergrove .	1,674	.....	2,299	.....
Boundary Bay	3,499	1,868	1,252	2,470
Cascade City	2,501	.....	1,968	.....
Douglas ..	3,502	4,323	3,608	4,041
Huntingdon	5,424	6,552	2,772	339
Pacific Highway	562	814	28,254	28,338
Victoria ..	.....	.....	1,367	1,875

The report also shows the number of cars exported from Canada for touring purposes, and the six months' total of these was 221,335 which is 6.8 per cent higher than the 1930 total of 207,206, and compares with the 1929 figure of 199,150. Of the total, 45,493 left Canada via Bridgeburg, 33,248 via Niagara Falls, 25,474 via the Pacific Highway, 15,758 via Windsor, and 12,874 via Boundary Bay, B.C.

Basic Industries Continue Inactive

	Canada	United States
Commodity Prices:	Wholesale price index in September at 70, is back to 1915 level.	Farmer goods index now 72 against 111 on same date 1930, and 75 in Aug.
Iron and Steel:	Mills of Algoma Steel Corp. and Superior Alloys Ltd., S. Ste. Marie, closed down indefinitely.	Ingot production in September averaged 28.02 p.c. of capacity as against 31.3 p.c. for August.
Foreign Trade:	Recent Customs dumping clause brings prices to Canadian consumer to approximately same as before depreciation of pound.	Exports and imports for August 35.8 p.c. below August, 1930. To date drop is 35.5 p.c.
Car Loadings:	Loadings for week ending Oct. 3 up 10 p.c. over previous week at 56,027 cars.	Loadings at 738,029 cars for week ending Sept. 26 down 4,599 from previous week, and 22.3 p.c. below same week 1930.
Employment:	Seasonal decrease in unemployment continues, due largely to relief works.	Many basic industries follow lead of U. S. Steel regarding wages.
Stock Markets:	Market strongly reflecting increased optimism on New York Exchange.	Marked strengthening reflects hope for improved conditions following Hoover's bank pool.
Week's Highlight:	Business becoming adjusted to new exchange conditions—no gain now to importers from depreciated foreign currency.	Building contract awards for first half September increase 17 p.c. in daily average compared with August.

U.S. Soap Subsidiary Opens Plant in Toronto

Toronto gains another new manufacturing plant in Huntington Laboratories of Canada, Ltd., manufacturers of Baby-San and pure castile soap, soap dispensing apparatus, floor wax and other floor maintenance materials, according to a recent announcement by the Toronto Industrial Commission.

This new Canadian subsidiary of Huntington Laboratories, Inc., of Huntington, Indiana, has leased 5,100 square feet of floor space at 72-76 Duchess St., where necessary equipment is now being installed. A manufacturing and sales force of from 15 to 20 people will be employed.

Works on Synthetic Petroleum

With the help of the American Petroleum Institute, the University of Texas is reported to be conducting experiments to determine the actual substances that go into the structures of petroleum. Once this is accomplished the chemist has a very good chance of producing these substances and amalgamating them in the laboratory. The chemists still have plenty of work ahead of them, as there are probably 500 individual substances in kerosene bases.

Plants Find Economy In New Machinery

Wise Manufacturers Taking Advantage of Present Situation to Make Plant Changes—Purchasing Comes from Three Groups

Many Canadian manufacturers are apparently not taking advantage of opportunities to cut operating costs by the installation of more efficient machinery and equipment, according to machinery and equipment firms interviewed by The Financial Post.

Most equipment that is being sold at the present time is going to three chief groups of manufacturers, it is said. Foremost are the automobile plants—particularly plants covered under the so-called secondary motor industries. Much of this machinery is of course highly specialized and is being purchased and installed to take care of the manufacture of new devices such as free wheeling and other attachments now in common use or about to be developed by motor car manufacturers. One individual firm in this group has recently placed an order for $50,000 of machinery.

Mining Companies Buy

Gold mining companies are another important group from which considerable buying is emanating. The Financial Post recently compiled a list of no less than 12 companies which had extensions or new properties under way or planned, involving many hundreds of thousands of dollars. These are as follows:

In Quebec M. J. O'Brien, in Cadillac township, is planning a 50-ton mill.

Siscoe Gold Mines, in Quebec, plans expanding its mill from 150 to 500 tons.

Granada Gold, in Quebec, is planning expansion.

The Beattie property, under development by Ventures Ltd., is considering a mill—5,000 tons is what we hear mentioned. This, of course, is not a certainty but is an interesting prospect.

In Red Lake area, Howey Gold Mines is expanding, building additional plant facilities.

Casey Mountain Operating Syndicate is planning a 50-ton mill.

In Kirkland Lake expansion of Wright-Hargreaves has started. An increase in the milling capacity of 50 per cent is planned, and there are evidences that there will be still further expansion.

Kirkland Lake Gold are considering expansion, in keeping with its deep developments.

In the Porcupine camp, Hayden is considering a mill.

In northwestern Ontario, Moss Mines have started to build 100-ton mill.

Lorne Gold in British Columbia is building a 100-ton mill.

Amisk Gold Syndicate, in Saskatchewan, is planning a small mill to be started after the Saskatchewan Government finishes the road they have undertaken to build from Flin Flon.

Small Plants Buying

A third group from which some buying is coming, are small manufacturing concerns. It is said that many small plants at the present time are operating at a comparatively high level of capacity due to the fact that they have been able to get a considerable volume of business upon which larger firms were unable to quote successfully through their inability to get overhead down sufficiently. Activity in these smaller plants has resulted of course in demands for a certain amount of new machinery and equipment.

On the other hand it is reported that many of the larger companies are apparently not taking advantage of slack times to make improvements which might have an important bearing on costs. In some cases this is due to lack of capital with which to make the necessary commitments and in others to an apparent lack of appreciation of the savings which are being made in dozens of cases by enterprising firms who are keen to take advantage of low prices and plant inactivity, to cut costs and prepare for the future by the installation of new machinery and equipment.

One specific instance of this is in the case of electrical equipment. Many firms whose plants have been built to operate at a high rate of production are finding, that at the present time they are actually penalized by having to pay a definite charge on their monthly power bill, because their "power factor" has dropped below a certain point. This can be overcome in many cases by enlisting the aid of a power plant expert and one specific instance has recently shown that a saving of $300 a month was achieved which will pay for the cost of making the necessary changes in the plant, within two years.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1931	1930	Cumulative Jan. 1 to date 1931	1930
C.P.R. Gross Earn. (Oct. 7)	$ 2,691,000	$ 4,167,000	$ 109,633,000	$ 140,148,000
C.N.R. Gross Earn. (Oct. 7)	$ 3,211,765	$ 4,427,882	$ 136,764,580	$ 173,413,940
Car Loadings (Oct. 3)	56,027	70,832	1,942,188	2,449,032
Common Stock Index (Oct. 8)	58.8	113.5	......	......
		Monthly		
Production—				
Pig Iron, tons, (Aug.)	23,212	57,459	362,737	573,321
Steel, tons (Aug.)	52,491	57,626	559,465	762,663
Newsprint, tons (August) ..	165,124	202,043	1,486,823	1,706,562
Automobiles (Aug.)	4,544	9,792	74,849	130,665
Boots and Shoes, pr. (Aug.)	1,627,006	1,542,686	12,062,805	11,730,141
Flour, bbls. (August)	1,323,287	1,547,936	9,301,068	10,192,132
Mineral Production—				
Gold, oz. (July)	223,700	170.260	1,497,037	1,146,499
Silver, oz. (July)	2,069,171	1,999,136	13,770,889	15,222,695
Nickel, tons (July)	2,655	4,680	23,000	32,245
Copper, tons (July)	11,838	13,077	86,476	91,845
Lead, tons (July)	21,868	13,109	97,931	99,211
Zinc, tons (July)	20,832	9,968	77,255	71,654
Coal, tons (July)	826,156	1,058,424	6,717,744	8,223,234
Nat. gas, M. cu. ft. (July) ..	1,458,814	1,304,168	16,431,156	17,232,913
Petroleum, bbls. (July) ...	119,327	122,862	1,073,428	762,746
Automobile Financing—				
Used Cars (Aug.)	$ 1,485,153	$ 2,919,461	$ 16,187,881	$ 24,784,569
New Cars (Aug.)	$ 1,417,484	$ 2,003,901	$ 16,500,878	$ 24,137,552
Construction—				
Building Permits (Aug.) ..	$ 8,224,074	$ 14,029,564	$ 76,575,853	$ 115,268,330
Contracts (September)	$ 33,658,400	$ 32,407,100	$ 250,793,300	$ 359,814,700
Labor—				
Employment Index (Sept) ..	107.1	116.6	......	......
Trade—				
Imports (August)	$ 47,308,000	$ 77,906,294	$ 449,619,844	$ 705,771,229
Exports (August)	$ 48,763,652	$ 69,290,228	$ 390,159,193	$ 582,198,172
Imports of Key Products—				
Rubber, raw, lbs. (Aug.) ...	5,160,225	4,722,597	41,380,888	48,825,337
Cotton, lbs. (Aug.)	4,754,000	3,457,000	55,385,000	54,114,000
Sugar, raw, lbs. (Aug.)	98,401,300	116,629,400	540,008,000	536,490,500
Petroleum, crude, gal. (Aug.)	106,065,392	100,570,898	668,538,344	667,214,202
Coal, tons (July)	1,245,095	1,781,183	6.610.435	9,011,969
Exports of Key Products—				
Newsprint, tons (August) ..	160,175	170,106	1,343,153	1,566,767
Automobiles, No. (Aug.) ...	740	3,922	11,816	31,043
Wheat, bus. (Aug.)	11,909,108	17,639,228	111,800,735	96,711,722
Wheat flour, bbls (Aug.) ..	522,178	627,233	3,654,403	6,988,349
Electric Power—Output—				
M. Kilowatt hours (August) .	1,251,715	1,411,860	10,787,249	11,787,497
Population—				
Emigration (June)	1,226	3,392	6,695	25,071
Immigration (June)	3,169	13,175	15,510	54,385
Finance—				
Failures, No. (August)	155	159	1,416	1,533
Failures, Liabilities (Aug.)	$ 2,350,994	$ 5,518,164	$ 27,715,048	$ 34,466,967
Bank Debits (August)	$2,243,561,470	$2,801,605,985	$21,069,109,733	$24,920,761,209
Bond Sales (August)	$ 1,876,639	$ 31,145,400	$ 973,719,350	$ 458,629,160
Insurance Sales (Aug.)	$ 35,738,000	$ 36,249,000	$ 337,217,000	$ 375,488,000
Wholesale Prices (1926)=100—				
General Index (Sept.)	70.0	82.1	......	......
Iron & its products (Sept.)	86.8	90.4	......	......
Cotton, raw	37.2	62.7	......	......
Grans	35.8	54.6	......	......
Livestock	71.1	93.4	......	......

CHAOS REPORTED AMONG OKANAGAN APPLE GROWERS

Govt. Said to Have Withdrawn in Disgust—No Co-operation

Alleging lack of co-operation among fruit growers in the Okanagan district, British Columbia, and consequent disturbance in the apple marketing situation the provincial government is reported to have advised growers that unless the situation is soon cleared up from within their organizations it will withdraw from the problem altogether by closing its marketing bureau and leave the growers to settle their own troubles.

It had been hoped that with the new marketing bureau supplying complete information, the growers would stick together and regulate the industry, but this, it is said, they have failed to do and prices have been cut so low that they are far below the cost of production.

An official of the provincial government states that the Canadian Government has done everything to protect the fruit industry, and the depreciated value of the dollar has given it added protection. Disorderly marketing, however, has rendered these advantages of no avail.

It was thought probable that, after their present unfortunate season, the growers, or a section of them, would seek some legislative remedy, but it is reported from Victoria that there is no sentiment there in favor of such a step. A majority of the government has been against compulsory marketing legislation from the beginning and recent developments have strengthened this opposition.

Following closely on the heels of the above representation of the government's view of the situation, come contradictory reports from other parts of the province At Vernon, J. E. Montague, of the B. C. Fruit Shippers, chairman of the special committee of the Shippers' Council, has issued a statement declaring that conditions have been exaggerated and complaining of the difficulty in maintaining control in the face of "sensational misrepresentations," against which a Penticton despatch states that Associated Growers, Ltd., the central selling agency of the organized growers, has withdrawn from the Shipping Council, following the rejection by that body of the proposal to open up prices on early varieties of apples.

Secures Loan For Paving

Dr. Charles Howlett, mayor of St. John's, Newfoundland, has returned home after a trip to Canada and England during which he attempted to negotiate loans for the city. Flotation of a bond issue by the city has been deferred for the present but it is reported that Dr. Howlett negotiated a loan with the Royal Bank which will permit expenditures on account of paving and sidewalks to the extent of $157,000. For expenditures over this amount the city must depend on current revenues.

Ship New Brunswick Potatoes

A trial shipment of New Brunswick potatoes has been sent to Mediterranean and Indian ocean ports—a new venture on the part of the growers.

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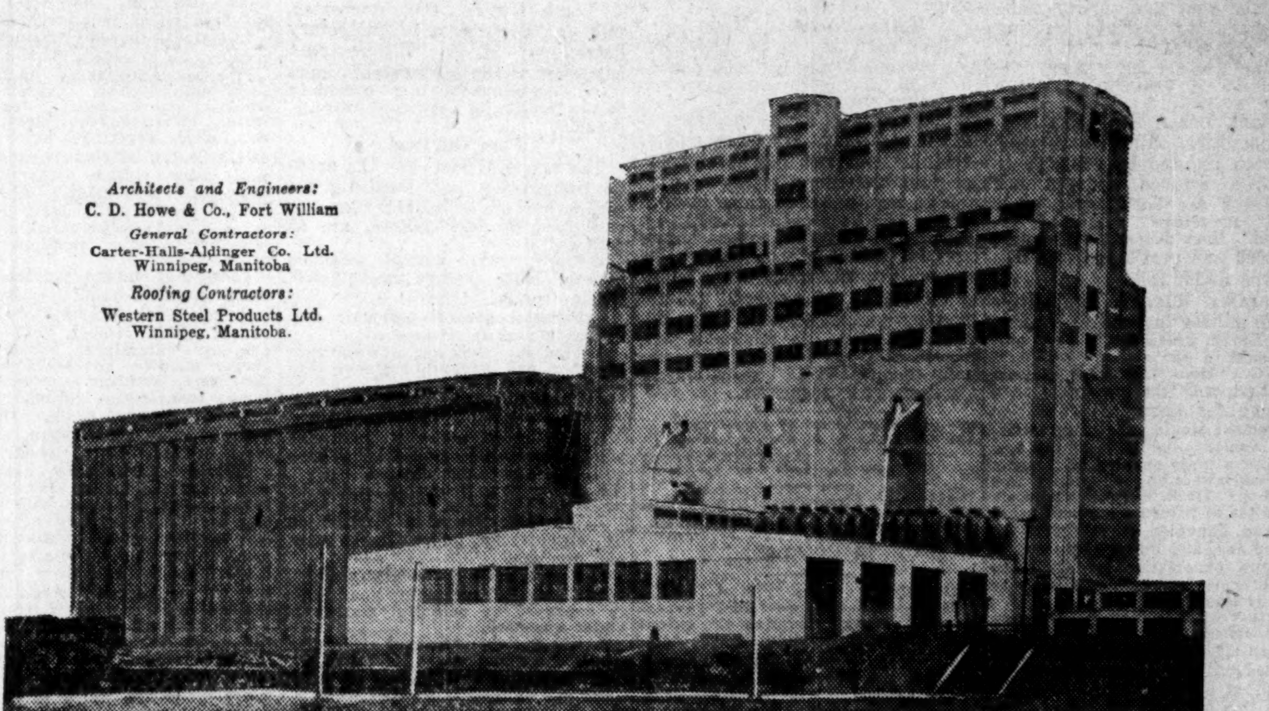

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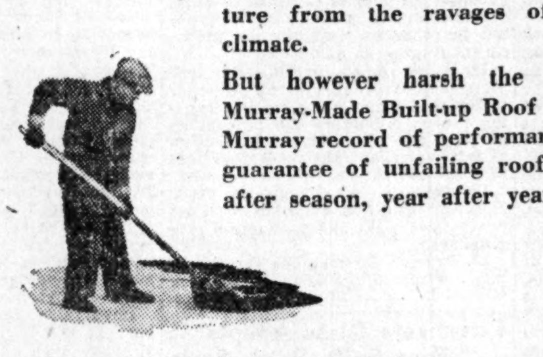

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OGILVIE FLOUR EARNINGS COVER DIVIDEND NEEDS

Profits Show Sharp Reduction from Those of 1930

From Our Own Correspondent

MONTREAL. — Domestic and foreign competition, together with the adverse influence of continued and increased grinding of Canadian wheat in bond in Buffalo, is reflected in the financial statement of Ogilvie Flour Co. for the fiscal year ended August 31, 1931. After all deductions, earnings were equal to $8.20 a share on the common, sufficient to cover the $8 dividends, while in the previous year earnings were $13.16 a share. In 1929 they were $29.89 a share.

Net profits last year were $755,148 compared with $1,127,136 in the previous period, while record profits of $2,381,741 were reported in 1929. Last year the only disbursement made on the common stock was the regular $8 dividend which totalled $600,000. In the previous year an additional bonus of $5 a share was paid while in the year before that the bonus amounted to $17 a share, or a total disbursement on the common of $1,875,270.

Segregates Investments

An interesting feature of the report this year is the fact that the company has segregated its investments from its other holdings in affiliated companies. The combined total of $10,480,380 shows a decline of $1,735.270 from the previous year; the figure, however, is still in excess of total investments in 1929. No details of securities held or the basis on which they are valued, is contained in the statement.

Following is a comparison of the profit and loss accounts for the three years ended August 31:

	1931	1930	1929
	$	$	$
Net profit	755,148	1,127,136	2,381,741
Less:			
Pref. divs.	140,000	140,000	140,000
Com. divs.	600,000	975,000	1,875,270
	15,148	12,436	366,471
Add:			
Prev. surp.	3,157,149	3,144,713	2,777,972
	3,172,298	3,157,149	3,144,713

Working Capital Lower

Reflecting the substantial decline in investments, working capital at $8,843,986 shows a reduction of some $2,455,000. At the end of August, 1931, current assets were $11,574,109 against current liabilities of $2,730,723.

Among balance sheet items the chief changes are the reduction in investments and also a sharp decline in bank loans. The latter have been reduced by $1,162,000 to $800,000. In assets cash is higher at $253,074, accounts receivable are slightly lower and inventories show some expansion at $1,241,315.

Total investments of $10,480,380 are divided into investments of $7,829,445 and investments in affiliated companies of $2,650,935. This is the first time these separate figures have been published and comparisons are not available. Some new country elevators were erected during the year and sundry additions made to various milling plants; property account, less depreciation, was valued at $3,527,375, a reduction of $181,000 from the previous year.

Bank Loans Reduction

In liabilities, accounts payable have been reduced by $549,000 to $1,710,473, accrued charges and bank loans are both lower while capital structure remains unchanged. Rest account still totals $5,000,000 and profit and loss balance was $3,172,298.

Regarding Russian competition and the milling in bond at Buffalo W. A. Black, president of the company, said in part:

"At this time last year it was hoped that, with the low prices then prevailing for Canadian wheat, an improvement would take place in the export demand for both wheat and flour, but a large surplus of Russian wheat, much of it of good quality, was pressed for sale in European markets at from ten to fifteen cents per bushel less than Canadian wheat could be obtained for, and under these conditions the exportation of Canadian flour became impossible, except at a serious loss.

"Another adverse factor which very greatly curtailed the operation of Canadian mills was the continued and increased grinding of Canadian wheat 'in bond' at Buffalo, U.S.A. Just how serious this was may be judged from the fact that of the total exports of flour made from Canadian wheat during the past twelve months almost forty per cent was ground in Buffalo. Some years ago an unsuccessful attempt was made by the Canadian milling companies to have our government remedy this condition, which is a most serious one, not only for the milling companies, but for the transportation companies and hundreds of unemployed citizens who would otherwise be taken care of in an industry which rightfully belongs to this country. It is sincerely to be hoped that the present government will take the necessary steps to rectify this injustice."

BRANDRAM PAINT CEASES PAYMENT COMMON STOCK

Lower Earnings Demand Conservation of Cash

From Our Own Correspondent

MONTREAL.—After a brief reentry into the field of common dividend payers, Brandram-Henderson Ltd. has discontinued payments on junior shares for the time being. A dividend of 2 per cent was paid in 1930 and two payments of half of one per cent have been made during the current year.

It was pointed out some time ago by George Henderson, president of the company, that continuance of common dividends would be dependent on the trend of business during the year, Discussing the conditions in the paint industry, following a meeting of the board of directors, Mr. Henderson pointed out that economies which are at present being practised are reflected in a marked reduction in consumption of paint and varnish products by industries as well as individuals.

Earnings Are Lower

The effect of this reduced consumption is making itself evident in earnings of paint and varnish manufacturers and it seems prudent, he states, until demand improves, to conserve resources by discontinuance of common dividend payments.

Earnings in 1930 were not sufficient to cover the disbursements made either on the preferred or common shares, though in the previous year profits had been equal to $8.22 a share on the common stock.

In 1930, operations resulted in a net deficit of $25,070 compared with a profit of $132,003 in 1929. After deduction of dividends, there remained a deficit of $87,672 for the year.

Though Brandram-Henderson's dividend action has tended to fluctuate, from 1917 to 1924 the company paid steadily on its common. Surplus at the end of last year was $900,279.

LAWRENCE FLOUR PROFIT EQUALLED $2.13 ON COMMON

Net Working Capital Position Shows Improvement

From Our Own Correspondent

MONTREAL. — Profits of St. Lawrence Flour Mills Co. in the year ended August 31, 1931, amounted to $90,266 compared with $105,017 in the previous year. After all deductions earnings were equal to $2.13 a share on the common stock compared with $3.11 a share in 1930. No disbursements were made on the junior shares and a surplus of $25,537 was added to profit and loss balance which now totals $369,846.

A feature of the meeting of shareholders was election of D. A. Campbell, a former director, as president of the company. He succeeds George W. Grier. Mr. Campbell is well known in milling circles and at one time was general manager of the Maple Leaf Milling Co.

Profit and Loss

Following are income account figures for the last three years ended August 31.

Years Ended August 31

	1931	1930	1929
	$	$	$
Profits	90,266	105,017	139,726
Bond int.	4,823	4,860	4,866
Net income	85,443	100,157	134,860
Pfd. divid.	40,250	40,250	40,250
Balance	45,193	59,907	94,610
Taxes	6,656	9,633	7,136
Balance	38,537	50,274	87,474
Deprec.	13,000	13,000	13,000
Surplus	25,537	37,274	74,474
Prev. surp.	344,309	307,035	232,560
P. & L. bal.	369,846	344,309	307,034

Balance sheet position shows improvement. Net working capital at $505,213 shows a gain over the $436,332 reported at the end of the previous year. Investments have been increased from $62,000 to $251,000, inventories are lower by $50,000 at $199,722 and accounts receivable have dropped by a similar amount to $192,761. Goodwill is unchanged at $930,224, while total assets show an improvement of $112,000 at $2,658,549.

In liabilities, bank loans are higher by $91,000 at $232,211. Accounts payable show a reduction of about 50 per cent at $15,461 and suspense account totals $32,658 compared with $5,510.

Extra Provision Made

More than the usual provision had been made for bad and doubtful debts and other contingencies, according to George W. Grier, former president of the company, in his last report to shareholders. While he would not forecast the outlook for the current year he was able to say that operations in September had been quite satisfactory.

J. Henri Labelle, general manager in Canada of the London Insurance Co. was added to the board of directors. At a special general meeting held subsequent to the annual meeting, shareholders approved a by-law allowing the company to increase its borrowings by the issuance of securities.

B. C. GOV'T FAVORS P. G. E. EXTENSION

Railway Construction from Quesnel to Prince George in Prospect

Despatches from Victoria, B.C., indicate that the provincial government is strongly favoring the extension of the railway during the coming winter from Quesnel to Prince George, the necessary first step to the connecting up with the Peace River country some time in the future.

Premier Tolmie announced that before making a final decision on the scheme, he had telegraphed Premier Bennett urging him to promise the future extension of the Pacific Great Eastern Railway into the Peace River country, but even failing receipt of such assurance, the British Columbia government has indicated that it is inclined to go ahead with the link to Prince George in any circumstances, especially since the Federal government has agreed to pay half the cost of such work, which is estimated in the neighborhood of $3,000,000. It would also greatly relieve the province's unemployment situation, a matter that will carry full weight with the provincial government in making a definite decision.

As indicated in The Financial Post last week, it is still very questionable as to whether and when the line is likely to be extended eventually into the Peace River country, which is a long way from Prince George.

Tamblyn Sales Exceed Same Period in 1930

Sales of G. Tamblyn, Ltd., for the seven months ended July 31 are reported to have shown some increase over the sales in the corresponding period of 1930 and results from an earnings standpoint are officially regarded as satisfactory in view of current conditions. Sales in the first six months were previously reported as being $122,728 in excess of the same period in 1930 so that this increase would appear to have been exceeded in the seven months' period.

In the year ended December 31, 1930, the company reported net profit available for preferred dividends of $170,067 on gross sales of $3,676,438. Earnings per share on the 6,180 shares of $100 par value preferred stock outstanding amounted to $27.52 while earnings amounted to $4.53 per share on the 28,000 shares of no par value common stock.

N.B. Roads to Figure In Relief Programme

Announcing an expenditure of $5,200 to be made on colonization roads this fall in New Brunswick as part of the unemployment relief programme, Hon. D. A. Stewart, minister of public works, stated that the government felt that no more advantageous expenditure could be made to province than the plan now devised. assist settlers in certain parts of the

DOMINION BRIDGE EDMONTON UNIT NOW COMPLETED

Standard Iron Works Plant Placed in Operation

From Our Own Correspondent

MONTREAL. — Standard Iron Works, subsidiary of Dominion Bridge Co., has completed its new plant in Edmonton at a cost of around $200,000. The plan of the building provides for expansion as required in the future.

It will be remembered that Dominion Bridge Co., through its subsidiary Riverside Iron Works of Calgary, acquired an interest in Standard Iron Works of Edmonton in July, 1930. The latter's plant, however, was destroyed by fire last winter, and the present units have been erected to replace it on a broader and more modern scale.

Handles Iron and Steel

The main building is the structural steel and machine shop, which is fully equipped to handle any class of iron or steel work. In addition, the foundry contains a furnace with a melting capacity of three tons of iron an hour.

Completion of the new branch strengthens the position of Dominion Bridge Co. in Alberta. The company has carried out considerable expansion in that province in recent years and a new plant was built in Calgary which came into operation early last year.

Dominion Bridge Co. also acquired Manitoba Bridge and Iron Works in 1930, which strengthened its foothold in Manitoba. Expansion has been carried out in Vancouver and it has been reported that plans are underway for an extension to the existing unit at Burnaby.

Dominion Bridge Co. ends its fiscal year on October 31. Considerable interest awaits publication of the financial statement which for the last fiscal year showed satisfactory earnings in addition to a strong balance sheet position.

Profits in the year ended October 31, 1930, were equal to $3.86 a share on the common stock. This compared with dividend requirements of $3.60 a share.

EXPERT EXPLAINS BUDGET CONTROL TO ACCOUNTANTS

E. S. LaRose Throws Spotlight on Important Business Feature

The mysteries of budgetary control were laid bare at a joint dinner of the Institute of Chartered Accountants of Ontario and the Canadian Society of Cost Accountants and Industrial Engineers, held in Toronto last week.

About 500 Canadian business and professional men, most of them members of these organizations, met to hear Edmund S. LaRose, assistant comptroller of the Bausch & Lomb Optical Co., Rochester, talk on "Highlights of Budgetary Procedure." H. E. Guilfoyle, past president of the Institute of Chartered Accountants and president of the Society of Cost Accountants, presided.

Plan Outlined

The essential facts for the proper preparation and resulting coordination of a budget plan, as explained by Mr. LaRose, are as follows:

1. Study your normal business growth, using average monthly and secular trends.
2. Forecast general economic conditions a year in advance.
3. Find the deviation between your business and general business conditions.
4. Temper your growth, if necessary with general business conditions.
5. Use profitgraph to determine whether proposed or adjusted volume will create earnings desired.
6. Know your potential market by product, by district, by trading area.
7. Eliminate waste in distribution by concentration on profitable areas and products.
8. Beat depression by new product, advertising and increasing your goals in areas where potential market is under absorbed.
9. Know your seasonal trend of sales by product.
10. Develop sales budget in both units and dollars by class of product, by month, by district, by trading area, by branch, by salesmen, by customer.
11. Develop stabilized production plan by units, tempered by stock condition maintained to keep within sales estimates, so that labor may be employed constantly throughout the entire year.
12. Study capacity absorption and consequent overhead. Many times, knowledge of under absorbed overhead will cause a company to produce standard items for stock rather than suffer losses.
13. Forecast inventory increase or decrease from month to month on an annual basis, at all times attempting to set goals which will result in an increased turnover of both process and finished stock.
14. Establish standards of labor, tempered by most recent performance.
15. Carefully gauge materials, specifications, requirements, and purchases.
16. Control overhead in accordance with volume, segregated between fixed charges, staff required to maintain organization, semi-variables and variables.
17. Apply selling and advertising expenses, as near as possible, to gross profit available in each class of product in order to maintain the predetermined goal of net profit.
18. Break down profit and loss statement to product group in order to find and study items possibly causing losses, indicating the percentage of loss, the percentage contribution to total sales, and the percentage loss to total profit.
19. Prepare cash budget in order to make provision of funds to meet prospective sales and production programmes.
20. Provide for methods for checking, for flexibility and for revising standards according to performance.

Consumers Glass Adopts Four Shift Work Scale

From Our Own Correspondent

MONTREAL. — Employees of Consumers Glass Co. have decided to work in four shifts instead of three shifts as formerly, thus making it possible for the company to allow all employees to work during the coming winter.

The decision was due to the fact that the company has closed one of its ovens, which, in the ordinary course of events, would throw 500 employees out of work. To counteract this the four-shift policy has been adopted.

BUSINESS LOW LACKS STIMULUS SAYS STANDARD

General Sales Expansion Deferred Till Spring is Opinion

INDUSTRIES GROUPED

Only 14 Found Promising Out of 67—Most Are Either Poor or Fair

Business developments during the past month have not been such as to inspire public confidence, according to a monthly review of the business prospect by Standard Statistics, New York. Wage cuts on an expanding scale have had an immediately depressing influence, despite the fact that their ultimately beneficial effects on the operating costs are generally recognized. An increasing volume of unemployment, curtailed outputs and lack of seasonal gains in carloadings and electric power consumption are symptomatic of the low level of general purchasing power. On the other hand, inflationary tendencies in England and other countries, while causing temporary confusion in the exchanges, should later stimulate buying beyond the borders of the nations most intimately affected. Domestically, increasing enquiries in most lines indicate depleted industrial inventories, although these have not yet found tangible reflection in sales volumes.

Accordingly, says this authority, while abstract factors are increasingly more constructive and indicative of the final stages of depression, concrete influences, with which we must currently contend, emphasize that marked revival cannot be expected during the early future. Corporate earnings for the third and last quarters of 1931 will remain of entirely unsatisfactory proportions, although the drastic declines of last year will markedly narrow unfavorable comparisons in those periods. Briefly, we anticipate that expansion in general sales volume will be deferred to next spring, with maximum intermediate vitality registered in consumers' good lines.

Only 14 Good Lines

As to the relative position of leading industries, both volumes and earnings are found to be at the bottom levels of the depression to date. Only 14 of the 67 components of industry summarized are entitled to a relatively satisfactory rating from the standpoint of prospective earnings during early future months; these are closely concerned with supplying the needs of individual consumers. Practically no improvement is registered in producers' goods.

The relative position of leading industries is given as follows:

Most Promising. — Chain stores, dairy products, package foods, refrigeration, specialty bakeries, tobacco—cigarettes, utilities—electric and gas, utilities—telephone.

Good.—Automobile parts, automobiles—passenger, beverages, flour and feed metal containers, shoes.

Uncertain.—Bread bakeries, meat packing, oil producing and refining.

Fair. — Advertising, publishing, automobile tires, automobiles—trucks, canned foods, department stores, electrical equipment, explosives, floor coverings, heavy chemicals, lead, machinery—industrial, mail order, motion pictures, office equipment, shipbuilding, silk goods, sugar producing, sugar refining, sulphur, tobacco—cigars, utilities—telegraph, welding supplies, woollen goods, zinc.

Poor.—Agricultural machinery, aircraft, apparel, building—commercial and industrial building—residential, carbon black, cement, coal—anthracite, coal—bituminous, copper, cotton goods, electric household supplies, fertilizers, fertilizer materials, furniture, industrial alcohol, leather, lumber, paper, radio, railroads, railroad equipment, rayon, shipping, steel, utilities—tractions, etc.

"While considerable basis now exists for the belief that industrial earnings, as compared with the low and declining levels of a year ago, will witness gradual relative improvement during the last quarter of 1931, there is every probability that progress will be markedly irregular among the individual groups of industry.

"We have attempted to classify, in the above tabulation, the prospects for the various major groups. The 'most promising' group comprises those industries which to date have been most successful in maintaining a relatively satisfactory level of income and which may be expected to demonstrate equal ability during the remainder of 1931. While those trades rated 'good' probably cannot be expected to show material improvement in earnings from current low levels during the final half of this year, we believe them to be in position to register substantial gains during the early stages of general business recovery. We list several industries as 'uncertain' because results for the last half of 1931 will be largely determined by unpredictable factors. Industries in the 'fair' and 'poor' ratings will for the most part continue to experience decidedly unsatisfactory returns during the last half of 1931; the degree of this unfavorable effect is measured by the two ratings."

Leather Footwear Output Well Ahead of Last Year

Footwear made in Canada in August totalled 1,627,006 pairs, an increase over the preceding month of 170,184, and an increase over the month of August, 1930, of 84,320 pairs, according to returns from 165 out of the 169 factories in operation during the month.

The leather footwear industry of the Dominion has shown very satisfactory progress during the past eight months, nearly every month recording an increase in production over the corresponding month of 1930. The total production for the eight months ended August 31, 1931, was 12,062,805 pairs, or an average per month of 1,507,851 pairs, compared with a total of 11,730,141 pairs and a monthly average of 1,466,268 pairs for the corresponding period of 1930.

Imports of footwear (except rubber) at 86,915 pairs, were increased slightly over the preceding month, but showed a decrease in total quantity of 46 per cent compared with August, 1930.

The value of imports in August was $191,402, of which imports from the United States accounted for 67 per cent, and from the United Kingdom, 29 per cent.

Exports of Canadian-made leather footwear in August amounted to 1,599 pairs, compared with 699 pairs in the preceding month and 8,227 pairs in August, 1930. Shipments were made chiefly to the United States, St. Pierre and Miquelon, New Zealand and the United Kingdom.

Canada's Glove Industry 1930 Output, $4,000,000

Leather glove and mitt factories in Canada produced 1930 goods to the value of $4,057,529, represented by 355,590 dozen pairs of work gloves and 116,403 dozen pairs of dress gloves. The total of these was approximately 9 per cent lower than the 1929 output, the value being 17¾ per cent less.

A large proportion of the production was men's unlined working gloves, mittens and gauntlets, 194,435 dozen pairs being turned out having a value of $1,333,362, while the total value of products includes about $150,000 worth of other lines, such as moccasins, leather coats, and a small amount for custom work. There were 47 establishments engaged in the industry in Canada.

Cordage, Rope and Twine 1930 Output Down 28 p.c.

Canada's thirteen cordage, rope and twine plants produced in 1930 goods to the total value of just over $8,500,000, this being approximately 28 per cent lower than the value of the 1929 output. These figures do not include twines and cordages turned out by the cotton yarn and cloth industries.

The output of binder twine was considerably lower than in the previous year, 60 million pounds comparing with 82 million pounds in 1929, and the value being 29 per cent lower at $6,356,943. Twines, of hemp, cotton, flax and jute, on the other hand were produced more largely than in 1929, over 2½ million pounds being turned out as against something under 2 million pounds, and the value being about $26,000 higher at $470,544. Production of rope of manila and sisal dropped from 14,025,000 lbs. valued at $2,357,601 in 1929 to 10,588,000 lbs.

Low Grade Cattle Exports Jeopardizing U.K. Market

Cable advices received recently by the federal department of agriculture emphatically stress the utmost importance of restricting further exports of live cattle to the British market to only top quality stock. Returns to Canadian shippers are being adversely affected by the low rate of exchange, and only such stock as will make top prices on the market can be expected to secure anything like a satisfactory return in the markets at Glasgow and Birkenhead, the advices say.

The general situation in Great Britain is unsettled, and there is nothing at the present moment to indicate immediate improvement. By the close of October, the usual seasonal firming of prices by twenty to thirty shillings per head may be expected, while improvement in the exchange situation is also hoped for.

Traffic League Deprecates Freight Rate Discussions

Canadian Industrial Traffic League has submitted a resolution to the prime minister deprecating the interjection of changes in the freight rate structure into the proposed transportation investigation and condemning any attempt to effect such changes without the sanction and approval of the railway commissioners or otherwise outside the provisions of the Railway Act of Canada.

Disapproval is also expressed with the suggestions that the committee to be appointed to conduct an investigation of the Canadian transportation situation should be composed of British and American financial experts to the possible exclusion of sufficient competent men in Canada having an intimate knowledge of the problem.

Restocks Fishing Waters

The Game and Fisheries department of the Ontario Government is busy restocking all of the great fishing waters in the north part of the district of Parry Sound as well as those to the north of North Bay. The fish inhabiting these waters are chiefly bass, muskys, wall-eyed pike, brook and lake trout.

New Edmonton Plant

An additional industrial establishment will be located in Edmonton shortly, through the opening of a plant of the Canada Ingot Iron Company, to manufacture iron culverts.

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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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EMPIRE MARTS BIG OUTLET B.C. LUMBER

Closing of Old Markets Has Forced Trade Into New Channels

FUTURE BRIGHTER

Big U. S. Market With Britain, New Zealand, Australia Now Comes to Canada

From Our Own Correspondent

VANCOUVER.—The "ill wind" which sent most of British Columbia's lumber markets tottering has done considerable good after all, and there is reason to believe that the effect may be of lasting value and far-reaching importance.

While the depression in world markets and the imposition of high tariffs has driven British Columbia lumber from many markets at one time regarded as essential and by far the most profitable, the sawmill industry has made the most of the opportunity so presented to cultivate the British Empire buyers.

Needed High Tariff

"This never would have happened if we hadn't been bludgeoned into it by the high United States tariff and the collapse of the markets in the Far East," a prominent lumber exporter told The Financial Post, "We apparently couldn't sell anywhere else, so we tried the Empire for a change—which is something we should have done long ago. Now that we have tried it, and found it responsive and profitable, we are not likely to abandon it when conditions improve again in the old markets that we used to regard as indispensable."

In the brief span of two or three months British Columbia has virtually reversed the buying habits of the United Kingdom and the Australasian countries on the Pacific Coast. Until recently the Pacific states, Washington and Oregon, did most of the business with the British Isles, Australia and New Zealand. But now the bulk of the trade is coming to British Columbia.

Where the province received only 25 per cent of Britain's lumber purchases on the Pacific Coast a year ago, it received 47 per cent of this total for the first eight months of this year, or some 60,000,000 ft. The total will probably reach 100,000,000 ft. before the end of the year—the highest figure in a long time. During the last two months British Columbia has handled 75 per cent of Australia's lumber orders on this coast. Last year the proportion was 25 per cent, Oregon and Washington getting the big end.

Now Dominate in N. Z.

The domination of the New Zealand lumber market is even more striking, for B. C. did 88 per cent of the business with that dominion last month.

Preferential tariffs have been a tremendous advantage, of course, but British Columbia lumbermen have been forced in the present highly competitive markets to improve the quality of their product and they have been winning business as a result of these efforts.

Because of this greatly improved condition British Columbia lumber manufacturers are not so greatly concerned over the agitation being made in the coast states to shut out all Canadian lumber imports from the United States. The general feeling here is that, while the lumber industry is far from prosperous—most of the business is being done at low prices that yield little profit—when the situation does improve British Columbia will have established a strong foundation during the present depression in markets previously neglected.

Campaign to Curtail Billboards on Highways

Retaining natural highway attractiveness is a Government problem in many provinces, and progress of a definite nature is reported from some. For instance, the campaign instituted by the Ontario Department of Highways to protect the scenic beauties of the province from too many advertising signs is bearing fruit and it is the intention of the department to carry on this endeavor until the majority of these signs are removed, according to R. M. Smith, deputy minister of highways.

Advertising companies were informed some time ago that the number of placards, signs and other methods of advertising trade articles would have to be considerably reduced. In many instances department officials themselves removed the offending signs, after informing the advertising company concerned.

Uniform Traffic Laws Urged by Saskatchewan

Uniform regulations for the control of bus and truck traffic on inter-provincial highways are urged by the Saskatchewan Government, Hon. A. C. Stewart, Minister of Highways, making a strong appeal before the convention of the Canadian Good Roads Association at Lucerne-in-Quebec last month. Uniform regulations in each province to govern the whole matter of passenger and freight traffic over provincial highways were recommended. Saskatchewan, according to the Minister of Highways, has taken the lead in the western provinces in the matter of regulating this traffic.

South Africa Buys Canadian Cars

South Africa was Canada's best customer for automobiles during the month of July, according to a report issued by the Dominion bureau of statistics. In both freight and passenger cars she purchased more than any other country, although British India came a close second. South Africa's purchases totalled $117,160.

Vancouver Builds Homes

New homes built in Vancouver during the three quarters of the current year numbered 1,625 and cost $3,314,816, as compared with 1,930 houses valued at $4,811,635 for the similar period of 1930.

Twenty Concerns Give Actual Data For Wage Survey

Many Plans Evolved by Executives of Leading Canadian Industrial Firms to Solve Problem of Lower Production Costs

PULP AND PAPER FIELD REVIEWED

Leaders in This Important Industry See Need for Revision of Schedules Where No Action Has Been Taken Up Till Present Time

ARTICLE TWO: What's Happening to Wages in Canada.

"Each industry must stand on its own legs as far as dealing with wages is concerned. Where business is being conducted at a profit, there should be no justification for reduction," says a leading Hamilton manufacturer in reply to The Financial Post questionnaire on the wage situation in Canada. He continues:

"Where competition is such that economies in manufacture are absolutely necessary, then it is a question whether a manufacturer is to operate or otherwise. It is pretty generally agreed that the cost of living has been very generally reduced within the past twelve months, and the reduction in wages can be made without interfering with the cost of living. Most of our own industries are working on half time or less. If it were possible to work on full time and keep everybody employed, even at a half wage, it would undoubtedly be more stimulating to business."

"In our own industry, the staple lines are selling today at the cost of the materials, without any cost for labor at all, and, therefore, it is absolutely necessary to get the cost as low as possible if the business is to continue. We have succeeded in a great many cases in keeping our men employed on special operations, where otherwise they would have been idle."

This is the view of one leading Canadian industrialist as reported to The Financial Post, following the sending of over 100 letters to leading Canadian manufacturers and merchandisers in an attempt to get a cross-section of what is happening to wages in Canada at the present time. As reported last week, it was found that only 50 per cent of the total had made any adjustment either in salaries or wages, and that only one-third have been forced to make a general reduction in wages.

Pulp and Paper Industry

From the pulp and paper industry, come some interesting comments. Replies received indicate that some firms have already made wage adjustments and others—even though an adjustment has not been made—are apparently of the opinion that wages and salaries in this industry will have to be reduced. For instance, one leading executive says: "We have not reduced salaries or wages in either 1930 or 1931, excepting, of course, the seasonal labor, where the rates fluctuate from year to year. It is my personal opinion that the paper industry will find it necessary to reduce both wages and salaries."

In this industry, as in many others, every effort is apparently being made to divide up as evenly as possible whatever work is available. One manufacturer says: "In so far as is possible, we are endeavoring to divide the work up among the largest number of employees. In some cases, running four shifts of six hours, in place of three shifts of eight hours, and again cutting down the number of days per week." The head of another large company tells us he has not come to any final conclusion as to the rate at which reduction in wages must be effected later this year. "The paper industry is a very large one," he says, "and in a matter of this sort, serious consideration must be given to the reduction, whatever the amount required."

Fraser Companies Bonus Plan

Fraser Companies, Limited, of Edmundston, reduced wages 12 per cent on the average during the fall of 1930 and salaries by 10 per cent at the same period. Previous to this the directors and officers of the company took a lead by eliminating all directors' fees and taking cuts which in most cases were larger than the 10 per cent referred to, but in no cases were less. It is interesting to note that during the year this company, has instituted a bonus and penalty payment under the system originated by Charles E. Bedaux, commonly known as the Point System. It was felt that the application of this system created an incentive for the wage earners to put forward an extra effort to make work effective.

In many industries, various plans have evolved to stimulate production and in this way avoid wage reductions. For instance, the head of a large dairy company tells us: "We have told our men that we are supplying people with the necessities of life seven days a week, and that if we can make a certain record in our different units, there will be no wage reduction. We have effected very important savings by introducing the latest type of machinery, by remodelling our plants, to give better efficiency, and finally instead of laying men off we have retained every man and woman whom we consider satisfactory on the understanding that if necessary, they take, during the winter months, two weeks holiday without pay."

Another very large corporation, operating a number of plants and manufacturing a diversified line of products, says that wages have not been reduced, but the working week has been reduced temporarily to five days to look after the decline in business. At the beginning of 1931, salaries in this firm were cut by 10 per cent and the company set for each of its subsidiaries and divisions, a quota of the amount of profit that division would have to earn to ensure that the dividends for the six months period would be fully covered. Any division that reached its quota had its salary reduction restored in full.

However, at the end of the first six months period, a difficulty arose; namely, that the division whcih reached their quota did not provide a sufficient surplus to cover, not only the salaries that were restored but the losses of the plants which had slipped behind. Accordingly, for the second six months period, it was provided that the salaries would be restored if, in the case, of any unit which earned 20 per cent over their quota. This extra margin provides a fund to pay back the salaries and also to look after divisions which fall below their quota. The systems have worked out exceedingly well, and as a result various units in the business are working exceedingly hard, effecting many economies and keeping business to as high a level as possible. The company expects to find no difficulty in earning its dividends for the full year.

Definite Report Shown

The following is a table showing briefly changes in salary and wage rates as reported to The Financial Post by some leading Canadian firms:

	Wage Reductions	Salary Reductions	Particulars or Special Plan
Cons. Mining & Smelting Co.	None*	10% voluntary cut, July 1, 1931	*Except through automatic sliding scale based on price of metals. Four instead of three shifts on all 24-hour jobs to keep maximum no. employed.
Wabasso Cottons	Yes	......	No general wage reduction, but work has been rearranged to reduce costs without seriously affecting wages.
McColl-Frontenac Oil	None	None	
Maple Leaf Milling Co.	Yes	Yes	Reductions effected either by straight percentage cut or through conference between employees and management.
Canadian Cottons	None	None	
Dominion Stores	None	None	
International Nickel	None	None	
Service Stations Ltd.	None	Under $5,000—10% Over $5,000—20%	Number of hours have been reduced for wage-earners. Five-day week in vogue for some years.
Sin-Mac Lines	10% cut for vessel wage earners, Apr., 1931	10-25% cut effective Dec. 1, 1930	Competition has forced reduction in labor costs.
Ham. By-Product Coke	None	None	None contemplated.
Algoma Steel Corp.	Yes—except common labor rite	Yes	No change during 1930, but considerable changes this year.
Page-Hersey Tubes	None	None	No details available.
Cockshutt Plow	......	Yes	No details available.
Assoc. Breweries	No	10% in 1930	Wages in most cases depend on long term contract.
Montreal L. H. & P. Cons.	None	None	No reason seen for reductions in this industry.
Wnnipeg Electric	None	None	Shorter hours for hourly basis employees in order to distribute work at same cost.
Ontario Hydro-Electric	None	None	No details.
Howard Smith Paper	10%—except on minimum wages	10%	Every effort made to divide work, e.g., four shifts of 6 hrs. in place of 3 shifts of 8 hrs., etc.
Fraser Companes	12% in fall of '30	10% in fall of '30	Because bonus and penalty "Point" system introduced in 1931 to give incentive for extra effort.

*See under "Particulars."

BURNS EARNINGS SLIGHTLY AHEAD DUE TO SAVINGS

Economies Counteract Drop in Sales Volume

Preferred shareholders of Burns & Co. are now entitled to equal voting rights with the holders of common shares, share for share, since the fourth quarterly dividend, payable October 1, was passed. Voting privileges will extend until all arrears have been paid up. Earnings of the company in 1930 were barely sufficient to avoid a deficit before payment of preferred dividends for the year. The preferred dividend due on January 1, 1931, was passed and succeeding dividends are also in arrears.

In a letter forwarded to preferred shareholders it is stated that heavy reductions have been made in the expense of all departments of the company and its subsidiaries with the result that for the eight months ended August 31, 1931, the earnings of the organization available for bond interest, before depreciation, show a slight improvement over the same period in 1930 despite a substantially decreased turnover. It is regarded as problematical as to whether this improvement can be maintained during such abnormal times.

Issues More Common

Need for additional working capital was shown early in the current year due to changed conditions resulting from the depression and Senator Patrick Burns, chairman of the board of directors of the company and founder of the original business, is putting some $800,000 into the company's treasury. For $200,000 of this amount the company is issuing 20,000 of its ordinary treasury shares and the balance represents a purchase of 6 per cent redeemable mortgage bonds of Palm Dairies Ltd., a subsidiary company.

Issuance of additional common stock brings the total number of such shares outstanding to 119,997. There are approximately 69,043 shares of $100 par value preferred stock outstanding and three shares of management preferred stock. Holders of the three shares of management preferred have the right to elect and to remove from office the directors of the company for a period of five years from 1928. It is stated that no changes are contemplated in the personnel of the management and Senator Burns continues as chairman of the board.

E. J. BAWLF CO., OLD GRAIN FIRM, IS SUSPENDED

Over-expansion in Last Year—N. Bawlf Co. Not Involved

From Our Own Correspondent

WINNIPEG.—The grain and stock brokerage firm of E. J. Bawlf Co., Limited was suspended from trading on the Winnipeg Grain Exchange on October 9, and the same day the voluntary assignment of the company to E. S. Newton as liquidator was announced. Suspension of the company from the Winnipeg Stock Exchange was also announced.

Liquidation of the company's outstanding commitments in the grain market had, it is understood, been accomplished the previous day through the clearing house at a time when, under the leadership of Chicago, the market was showing considerable strength.

Expanded at Bad Time

The firm was one of the older ones in the trade, although it had been reorganized with a slight change of name within recent years. It had expanded very largely in the conduct of branch offices within the past year when it took over the grain business of a number of firms, some of them in the mining brokerage business, which had been forced to assign.

A total of 16 offices for public trading were maintained, 13 of them in towns and cities of Western Canada, and in addition at Toronto, Hamilton and Fort William in Ontario. Public participation in the grain market has been on a very small scale, and the operation of these offices is understood to have been a burden.

Dealt in Stocks Also

Although the principal business of the company was in grain it also dealt in stocks, and the failure of a Montreal stock brokerage house, for which it acted as correspondent, in some offices is understood to have added to its difficulties. Because of the small extent of public trading in wheat at the present time, the suspension of the firm involves the public interest to a much smaller extent than would have been the case a couple of years ago.

Owing to the similarity of names, W. R. Bawlf, president of the N. Bawlf Grain Company issued a statement pointing out that there was no connection, either financially or otherwise between the two companies, and that the N. Bawlf Grain Company would be in no way affected by the liquidation of the E. J. Bawlf Company, Ltd.

Bank Re-occupies Home Vacated Many Years Ago

It is not often that a city branch, having abandoned old premises for more spacious quarters, ever expects to make use of its former home. This, however, took place recently in Toronto.

The main Toronto office of the Royal Bank, on the northeast corner of King and Yonge Streets, was erected and occupied in 1915. For some years these premises fully took care of the bank's requirements, but normal increase in business, together with amalgamations with the Northern Crown, Quebec, and Union Banks, put a severe strain on the space available. Additional office-room was secured from time to time in neighboring buildings, but in every case the expenses of alterations were out of all proportion to the benefits received.

After a careful review of the whole situation, it was decided to occupy the ground floor of the premises adjoining the branch on the east, known as the Dinnick Building. Strangely enough, this was the original Royal Bank Building, having been erected by the bank in 1909.

More Car Buyers Pay Cash

Addressing a recent convention of salesmen in Hamilton, Ont., W. C. Herring, general sales manager of General Motors of Canada, recently gave expression to some optimistic statements about improved business conditions in certain car lines in Canada. He said that 25 per cent more buyers had paid cash for their cars this year than during the previous year.

DOMINION TAR PHENOL PLANT IN PRODUCTION

New Toronto Unit is Now in Commercial Operation

From Our Own Correspondent

MONTREAL.—The new phenol plant recently completed by Dominion Tar and Chemical Co. in Toronto has been brought into steady operation on a commercial basis following satisfactory tests of equipment. The unit cost about $250,000 and is reported to be giving good results.

The plant is an important addition to the Canadian chemical industry and in manufacturing phenol is making a product used especially in producing a resin to form the base of bakelite, widely used as an electrical insulator and for other purposes.

Other plants of Dominion Tar have been fairly busy. A substantial portion of the company's business lies in the creosoting industry for this division of operations has been substantially extended in recent years. The company, however, has been successful in diversifying production through the organization of subsidiaries manufacturing roofing materials, fibre conduits and the new phenol division, all of which provide additional outlets for output.

Earnings Slightly Lower

No figures regarding earnings have been made available during the current year. It has been stated, however, that prospects for the remaining months of the fiscal period indicate that profits will only be slightly lower than those of 1930, though the outlook for the coming year is still uncertain.

The creosoting section of the organization supplies a large portion of the railway companies' requirements for ties; and it is in this division that the prospects for next year are particularly obscure. Indications are that the railroads will pare their expenditures to a minimum and that orders for new ties will be confined largely to absolute necessities.

Dominion Tar reported net earnings of $1,681,683 at the end of 1930, an increase over the previous year. After all deductions the preferred dividend was earned more than twice over, while there remained a sum, after payment of preferred dividends, equal to $1.70 a share on the common.

SALMON PACK IS ONE-THIRD OF LAST YEAR'S

Costs of British Columbia Packers Were Greatly Lowered

Royal Bank's final figures for the salmon pack in British Columbia show 253,410 cases of sockeye salmon out of a total pack of 497,245 cases. This compares with 376,960 cases of sockeye out of a total pack of 1,445,534 in 1930 and 265,270 cases of sockeye out of a total pack of 670,276 cases in 1929. The sockeye falling off is not serious and the fact that the total pack is little more than one-third of the record pack of the preceding year is due to the small catch of pinks which run only every second year.

It would be a mistake to infer from these figures that the economic position of British Columbia Packers and other companies in British Columbia has been necessarily weakened by the fact of this low pack. The companies have one advantage lacking last year. Fishermen and employees generally were paid at old rates in the spring of 1930, while the price structure weakened to such a point in the autumn months that sales had to be made on another basis altogether. Losses were therefore suffered. This year all wages and prices to fishermen and employees in canneries were based on the selling price obtaining in the spring and therefore the pack stands ready for consumption in a stronger financial position than last year.

Moving Freely in U. S.

In spite of the fact that the market outlook is uncertain there is encouragement in the fact that salmon is moving into consumption freely in the United States. The Australian trade agreement will help the packers, it is expected. Prices for dry salt salmon, the season for which opened October 1, are much lower than those which prevailed last year. Dry salt herring operations are just commencing.

The total salmon pack in Alaska this year is estimated at 5,335,461 cases as against 4,965,738 in 1930. The Puget Sound pack to date is estimated at 790,000 cases as compared with 1,131,844 cases in 1929, comparison with 1929 being made because both years were large pink salmon run years. Stocks have been moving out fairly well.

As a result of the heavy pack last year and the considerable expenses for the season bank loans of British Columbia Packers reached $3,042,000 on February 28, 1931. No information as to size of loans is available but it is understood that industry generally is in a better position with the banks.

Saskatchewan Grows Potatoes

Northern Saskatchewan is coming forward as a potato raising country this year and there is a likelihood of a hundred carloads or more being routed south to the Regina district shortly. The potatoes of the region are averaging about 150 bushels to the acre. Potato growers' associations have been formed at many points.

Fishery Prices Low

Grand Banks, Newfoundland, fishermen are finding it difficult to maintain their families at the present prices of codfish and are very much discouraged over the present outlook.

Say Hoover Ready To Pay Full Cost International Canal

Capital Left Breathless by Suddenness on St. Lawrence

WHAT OF QUEBEC?

With Lower Province Opposed, Observers Wonder How Down River Section Can be Done

From Our Own Correspondent

OTTAWA. — Announcements of an impending treaty authorizing immediate construction of navigation and power works in the International section of the St. Lawrence river has left the capital breathless with astonishment.

Two weeks ago action on the International section of the Waterways seemed more remote than at any time in recent years. In fact it was assumed that negotiations once more had died a natural death, that Canada would not answer the invitation to negotiate sent by President Hoover to Premier Bennett one year ago.

Reasons for Delay

There were many and potent reasons for inaction.

1. The Conservative party is solemnly pledged in the Winnipeg platform to construct only an all-Canadian seaway.

2. The enormous expenditures necessary for the work could scarcely be faced at this time.

3. The Province of Quebec is resolutely opposed to the St. Lawrence development, and no Federal Government, particularly a Government dependent upon Quebec supporters for its daily existence, would lightly fly into the face of French Canadian opinion. Moreover, only a few weeks ago, the Taschereau Government was returned to power, despite hard times, largely upon this issue.

4. The constitutional question of the ownership of power developed on navigable waters, if any, provinces should pay for it. These worrisome points are undecided. The disagreement between Federal and Provincial authorities in regard to Beauharnois still persists.

These potent reasons for delay have been brushed aside, and by official announcement, the writing of an International treaty is heralded.

Has Come Suddenly

Other facts in regard to the situation at once occur to mind. Serious negotiations cannot have been underway longer than a few weeks. All summer Hon. W. D. Herridge, Canadian Minister at Washington, has been absent from the United States, holidaying at home. Hon. Hanford McNider, United States Minister at Ottawa, also has been absent all summer. The diplomatic holiday season, of course, is longer than the usual one, and no criticism is implied.

The impending treaty, therefore, is the work of the past fortnight. This is, perhaps, the most amazing feature of the announcement.

Authentic information here indicates further, that:

1. The two governments already have agreed, informally, to all the major points involved.

2. The treaty almost certainly will be written, signed and sealed within three months, and will be presented for ratification to Congress and Parliament next spring.

3. So intent are both governments upon quick action that it is predicted with the greatest confidence that work will be underway next summer, the section completed and ready for operation by 1939.

Action at Once

These are the sincere views expressed by cabinet ministers and high officials. There is no doubt that, at the moment, the St. Lawrence anouncement means action. Unless some unforeseen disagreement arises, the predictions made will be realized. Right now there is no indication of holding back, of procrastination, of delay. The St. Lawrence is to be attacked with all the vigor governments can command.

When it comes to the detail of the agreement, to what the treaty will contain, the information is equally clear though less official. In main outline, however, the major points may be summarized in this way.

Type of Development

There is the question of the type of development and the cost. It will be recalled that the Joint Board of Engineers, in the report of 1927, failed to agree. The Americans desired a one-stage development, with a huge dam at the foot of Barnhart Island, close to the eastern end of the International section of the river. The Canadians advised a two-stage development, with a small dam at Crysler Island, between the Rapide Plat and the Long Sault Rapids, and a large dam at Barnhart Island. The one-stage plan would cost roughly $230,000,000; the other $265,000,000.

It is understood President Hoover has agreed to the two-stage development, thus removing all technical engineering disputes.

As to costs, it is stated, on high authority, that Ottawa asked Washington to consider the cost of the Greater St. Lawrence Waterways as a whole: to make a fairly even division of cost on that basis.

Thus Canada has spent, or must spend:

Sault Ste. Marie	$ 30,000,000
New Welland Canal .	125,000,000
Thousand Is. channel	200,000
Beauharnois (nav.) .	40,000,000
Lachine, when built .	50,000,000
Total	$245,000,000

The United States has spent:

Sault Ste. Marie	$75,000,000
Thousand Is. channel .	1,000,000
St. Clair river, etc. ..	3,000,000
Total	$79,000,000

Canada, therefore, already has spent $75,000,000 more than the United States and will have to spend another $90,000,000 in the Canadian section of the river.

If the cost of the International development were evenly divided, each country would have to put up $130,000,000. But as the whole project stands, the United States could pay the entire cost and still be bearing only one half of the total outlay.

It is understood President Hoover has agreed to look at the proposition in this way: has agreed to pay for the whole International development, without, of course, infringing in the slightest particular upon Canadian sovereign rights.

Where to Spend Money?

Other equally important aspects of the treaty remain in the dark. If the United States is to foot the bill, do all the work, what share of labor and materials will go to Canadian workmen and industries? Will the American government agree to spend half the money—their money—in Canada? It is learned that this highly important point has yet to be discussed.

Then there are equally important domestic considerations involved. What of the power? The 2,000,000 horsepower developed incidental to the navigation dams will, of course, be divided evenly between the two nations.

The Federal government will sell the Canadian power to the Ontario government. But at what price? Officials here, are quite clear on this point, although the policy they suggest seems difficult if not impossible of achievement.

Deadlock on Cost

They say that Ontario will be asked to pay $70,000,000 for this power. Cost of installing power plant and turbines will be $35,000,000, giving the 1,000,000 horsepower to Ontario at a total outlay of $105,000,000, or $105 per horsepower. This, the officials say, is cheap power, cheaper than the power the hydro bought from Beauharnois and other producers at $150 per horsepower.

But considering the fact that this power will come on the market say, ten years hence, where will Ontario find the money to purchase, and where the customers to use it? Premier Henry in his statement on the announcement seemed to think that the province would get the power at the cost of installing the power house and turbines, or, roughly, $35 per horsepower.

Federal officials insist upon $70,000,000 from Ontario, because this, approximately, is the cost of installing locks at Beauharnois and erecting navigation works at Lachine. And when the International section is completed, only the Beauharnois locks and the Lachine rapids will block a through seaway from the Atlantic to Fort William.

But there are considerations involved. Premier Taschereau has come out in unqualified opposition to completion of the St. Lawrence. He says that the announcement is premature, that the United States is seeking power, not navigation.

What of Lower Canals?

The Lachine rapids lie entirely within Quebec, are quite unsuited to power development at current power prices, yet must be canalized before the seaway is complete. While there is no official information on the point, it is commonly believed that Canada will have to guarantee the building of the Lachine canal and locks, and the Beauharnois locks, within a specified time. The United States, obviously, would not go ahead, spend $265,000,000 on the St. Lawrence only to have the route blocked lower down the river.

It baffles Ottawa observers to discover how Premier Bennett proposes to over-ride Quebec opinion, to build the Lachine canal and locks against the wishes of that province. The uncertain constitutional position, with respect to ownership of river bed and banks (into which dams must be built), affords unlimited scope for litigation. Undoubtedly Quebec can delay action at Lachine indefinitely.

Another phase of the proposed treaty being watched closely is the reaction of public opinion to the idea that the United States will pay for the International Section in toto. Already, Conservative newspapers have warned the government against such a policy, believing the United States will seek ownership of the works, will seek to impair Canadian sovereign rights in the river.

The more these factors are considered, the more remarkable the announcement becomes. There may, indeed, be a hidden story behind the new treaty. But, if so, the secret is being well kept. Undoubtedly the present critical situation—critical in regard to debt settlement and further borrowing—has demanded close co-operation between the governments of the two countries. The treaty may be an evidence of this co-operation.

Lumber Stocks Bank Up Altho' Output is Down

While total stocks of West Coast lumber have shrunk 176 million feet since January 1 the total on hand namely 1,773 million feet, is still considered excessive since unfilled orders, which in 1929 averaged 50 per cent of inventories, amount to only about 19 per cent of the present stocks, according to information received by The Financial Post. Mills are at present operating at less than 40 per cent of capacity, and in view of the slow rate at which the inventories are currently being reduced further curtailment of production would appear to be necessary.

Advices from New Westminster, B.C., state that the 343 mills operating to the West Coast Lumbermen's Association operated at 28.5 per cent of capacity for the week ending September 12, the week in which Labour Day holiday occurred. This compared with 35.5 per cent capacity for the preceding week and 46.3 per cent for the corresponding week last year.

For the first 36 weeks of 1931 these mills have operated at 40.6 per cent capacity as compared with 58.1 per cent for the like period in 1930. As at September 5, 181 of these plants were closed down and 162 operating, the latter reporting output at 58.1 per cent of their group capacity.

BRAZILIAN TAX CHANGE NOT EFFECTED

No Official Declaration of Dividend Levy Was Made

BURNING COFFEE

Government's Bartering Disturbs Exchange and Makes Difficult Export of Funds For Dividends

Brazilian Traction Light & Power Co. common stock has suffered somewhat in recent trading from the story given circulation in Canada that Brazil had imposed an 8 per cent tax on all interest or dividend payments on the stocks, bonds or securities of any grade of any company operating within the country whether the head office of the companies affected were in Brazil or not and even if the bonds were issued abroad.

Enquiries in Brazil bring the information that no such official action or intimation has come from the Government. Either the news is premature or it does not represent at all what the Government intends to do. Apparently the story was published in Brazil as representing the intention of the Government. The cables coming to Canada, however, stated that the Government had issued a decree to this effect.

Happens in Canada Also

The situation is analogous in Brazil to that in Canada when Premier Bennett last year was studying the various methods of taxation. On several occasions articles credited him with intending some form of taxation which in the event he never imposed. There is already income taxation in Brazil; it is possible that something else is intended in the way of extraordinary taxation but it has not been announced as yet.

Meanwhile, the Brazilian Government is struggling with the coffee situation. The Government has apparently been able to fulfill the terms of the agreement made when the coffee realization loan was made more than a year ago by which the surplus was to be progressively liquidated over a period of ten years. The current crop was larger than the world's annual coffee requirements. The Government has burned a large number of bags of inferior quality and has much more available for the burning. It is expected that the next crop will show a considerable falling-off, and it is in that period when the Government expects to make the greatest progress in lifting off its shoulder this almost unmanageable surplus.

Exchange Quotations Nominal

In the meantime Brazilian Traction earnings are lower but sufficient under ordinary conditions to permit of dividends being paid regularly in Canadian funds. But exchange transactions are of an abnormal character. Since the pound sterling went off the gold basis, Brazilians, and those who trade with them, have been trying to find some other way. The milreis is quoted with reference to the United States dollar but quotations are nominal. The Government's experiments with barter, exchanging coffee with United States and the Argentine for wheat and flour have further complicated the situation. Ordinarily coffee sales would have regularized the exchange market.

Postpone Grain Exhibition

The World's Grain Exhibition and Conference, which was to have been held in Regina in the summer of 1932, has been postponed until 1933, it is announced by Hon. Robert Weir, Minister of Agriculture and chairman of the national committee of the grain show. The decision follows resolutions passed by the council of the Regina Board of Trade, and the board of directors of the Regina Agricultural and Industrial Exhibition Association urging a postponement.

Gold Production Increases

The production of gold from all sources in Canada during 1930 amounted to 2,102,068 fine ounces, valued at $43,453,601, as against an output of 1,928,308 fine ounces valued at $39,861,663 in 1929. This is the largest output ever recorded in Canada. The metal was derived from mines, alluvial deposits, blister copper and base bullion.

Saskatchewan Cities Grow

The eight cities of Saskatchewan grew by 25 per cent from 1926 to 1931, and in the decade since 1921 by 39 per cent, according to the latest federal figures. The cities, with their present populations are: Regina, 53,034; Saskatoon, 43,025; Moose Jaw, 21,244; Prince Albert, 10,000 (estimated); North Battleford, 5,959; Swift Current, 5,230; Yorkton, 5,012 and Weyburn, 5,008.

Ship Many Cattle Abroad

A Markets Intelligence Service report issued by the Dominion live stock branch shows that since the export trade in live cattle began in August, 1930, Canada has shipped 23,400 head abroad, nearly all of the stock going to the British market. Since January this year shipments have amounted to 18,483.

DIVIDEND NOTICES

BLUE RIBBON CORPORATION LIMITED

Notice is hereby given that dividends of 81¼ cents per share on the outstanding preferred shares and 50 cents per share on the outstanding common shares of the Company have been declared payable on and after November 2, 1931, to shareholders of record October 15, 1931.

J. C. JAMIESON,
Secretary-Treasurer.
Toronto, October 13th, 1931.

POWER CORPORATION OF CANADA LIMITED

Common Dividend No. 8

A DIVIDEND of Fifty Cents (50c.) per share being at the rate of Two Dollars ($2.00) per annum, on the No Par Value COMMON STOCK of Power Corporation of Canada, Limited, has been declared for the quarter ending October 31st, 1931, payable November 20th, 1931, to shareholders of record at the close of business on October 31st, 1931.

By order of the Board,
L. C. HASKELL, Secretary.
Montreal, September 25th, 1931.

The TECK-HUGHES GOLD MINES LIMITED

(No Personal Liability)

NOTICE is hereby given that the Directors of this Company have declared a dividend of 15c. per share payable on the second day of November, 1931, to stockholders of record at the close of business on the 17th day of October, 1931, and said Board have also declared an extra dividend of 5c. per share out of the earnings of the year ending August 31, 1931, payable November 2nd, 1931, to stockholders of record at the close of business on October 17, 1931.

The Books of the Company will be closed for transfer from the close of business on October 17th, 1931, and will reopen on November 2, 1931.

WM. C. HIMROD,
Treasurer.

Medicine Hat Greenhouses Limited

The regular quarterly dividend of 1¾% for quarter ending September 30th, 1931, has been declared on the Preferred Shares of the Company, payable October 15th, 1931.

By Order of the Board.
MARTYN OLIVER,
Secretary.

Disher Steel Construction Company, Limited

DIVIDEND NOTICE

Notice is hereby given that the Eighth regular quarterly dividend of 37½c per share has been declared on the Class "A" Cumulative Redeemable Preference Shares of Disher Steel Construction Company, Limited, payable on the First day of November, 1931, to shareholders of record on the Fifteenth day of October, 1931.

By Order of the Board,
DONALD H. ROWAN,
Secretary.
Toronto, October 13th, 1931.

LINDSAY'S

C. W. LINDSAY & CO. LIMITED

Preferred Dividend No. 15

Notice is hereby given that a dividend at the rate of 6½% per annum on the Preferred Capital Stock of this Company has been declared for the quarter ending November 30th, 1931, payable December 1st, 1931, to shareholders of record November 15th, 1931.

By order of the Board,
BENJAMIN A. EDWARD,
Secretary.
Montreal, October 13th, 1931.

LINDSAY'S

C. W. LINDSAY & CO. LIMITED

Common Dividend No. 13

Notice is hereby given that a dividend at the rate of $0.25 per share on the Common Capital Stock of this Company has been declared for the quarter ending November 30th, 1931, payable December 1st, 1931, to shareholders of record November 15th, 1931.

By order of the Board,
BENJAMIN A. EDWARD,
Secretary.
Montreal, October 13th, 1931.

GAIN REPORTED IN CANADA BUD SALES, PROFITS

Acquires Subsidiary; Covers Dividends By Wide Margin

Increase in sales of over 25 per cent and increased in net profit of 55 per cent is officially reported for Canada Bud Breweries Ltd. in the nine months ended September 30, 1931, compared with the corresponding period of 1930. In a comprehensive letter being forwarded to shareholders with the quarterly dividend payment of 25 cents per share, Duncan McLaren, president of the company, indicates that substantial progress has been made during the current year and emphasizes that net profit for the current fiscal year which ends December 31, will be more than sufficient to cover the current dividend rate of $1 per year not only for the current year but for 1932.

In the nine months ended September 30, 1931, turnover of the company is stated to have been $1,615,000 as against $1,287,000 in the same period of 1930. Net profit for the same period of 1931, before depreciation on plant, amounted to over $286,000 as compared with $184,500 in the corresponding period in 1930. It is further stated that October and December are good months for the brewing industry, that the products of the company are gaining in popularity and that it is expected that sales will continue to increase.

Acquires Subsidiary

The company has been in operation some four years and the letter states that real estate owned by the company has appreciated considerably in value over this period. Cellar capacity is now approximately 26,000 bbls. The company has acquired, during the current year all of the capital stock of City Club Breweries Ltd., in order to keep pace with the growth of the business and the acquisition of this subsidiary is expected to result in substantial additional profits. The new subsidiary has a plant situated in the east end of Toronto. Acquisition of the new plant will give the company better distribution in the east end of Toronto and will permit supplying City Club brands to points outside Toronto after November 2. Other beverages will also be produced at the new brewery.

Shareholders now number over 900, it is stated, and assurance is given that shareholders may look forward with confidence as far as regular dividends are concerned. Rumors that the company will increase the dividend rate or declare a bonus remain unconfirmed and are not suggested in the letter.

The company has not as yet issued any formal financial statement but in a statement made at the last annual meeting the president said that at December 31, 1930, total assets of the company amounted to $1,416,817 while total liabilities, including dividend paid January 15, 1931, government taxes, mortgages not due and assumed with the purchase of new properties amounted to $320,435. This left $1,096,382 applicable to the 126,000 common shares of no par value outstanding at that time. During the current year 24,000 common shares have been issued bringing the total now outstanding to 150,000 shares.

The company has confined its activities entirely to Ontario and principally Toronto and several other cities. Brewing was started in May, 1927, with a capacity of 8,000 bbls., now increased to 26,000 bbls. Sales in 1930 showed an increase of 49 per cent over sales for 1929 and figures for the first nine months of 1931 indicate that the company has continued to make progress. In 1930, the company purchased additional property adjoining its plant. This is being used at the present time for bottle sorting and storage but is available for any further plant expansion.

Earnings per share in 1930 are understood to have been approximately $1.98 after write-offs. In the current year it is unofficially estimated that net earnings will approximate $400,000 if the increase registered to date in 1931 continues for the remainder of the year. With 150,000 shares outstanding the company would show net earnings of around $2.70 per share on that basis. The company has benefitted during the present year through use of bottles which were written off at the end of 1930 because of a ruling which barred their use because of color. This ruling has since been changed and the company has been able to use these bottles this year after the cost had been written off.

Toronto Exchange Lessens Pegged List

On Oct. 13 Toronto Stock Exchange opened trading by extending the free list from interlisted stocks to all stocks quoted at $3 or under both on the listed section and on the curb. Fractional losses on most of the 23 issues involved were registered.

The new stock exchange ruling places the following stocks in the free list: Abitibi, Alberta Pacific Grain, B. C. Packers, Besco 2nd preferred, Canada Power, Canadian Industrial Alcohol A. and B., Cockshutt Plow, Conduits, Consolidated Foods A, General Steel Wares, Hamilton United, Massey-Harris, Muirheads, Orange Crush common and 2nd preferred, St. Lawrence Corp., Sterling Coal, Carlings, Cosgraves, Crown Dominion Oil, Honey Dew, Pelissiers and Waterloo Manufacturing.

THE householder of a charmingly situated freshly decorated house in South Rosedale, Toronto, has decided to rent one of the large bedrooms if an appreciative occupant can be found. This room, which has bath adjoining, with its beautiful new walnut furniture including a business desk with 'phone, book shelves and large easy chair, would suit a gentleman who enjoys quiet solid comfort and the surroundings of a cultured household. Breakfast would be served and possibly other meals if required. The house, five minutes from Bloor and Yonge, is all heated and scrupulously kept. Write Box 292, The Financial Post, Toronto.

Corporate Financing

Our distributing facilities are broad enough to handle all types of issues, both large and small, for those desiring capital through the sale of securities. References exchanged.

THE BROOKWORTH CO. Inc.
110 East 42nd St., New York, N.Y.

FALL OF POUND AFFECTS TRADING WITH ANTIPODES

But Situation Not Likely to Last Beyond Short Period

From Our Own Correspondent

VANCOUVER.—Depreciation of the pound sterling, which is the basis of currency in Australia and New Zealand as well as in Great Britain, will adversely affect interchange of trade between Canada and the two southern Dominions, according to shipping men here; but the situation is regarded as likely to last only a short period.

"Australian money was already so low as to compel that country to be very cautious in making purchases in this market," said an executive of a British Columbia newsprint company. "The further drop as a result of the abandonment of the gold standard has not helped, but we do not anticipate that this condition will last more than a few weeks."

B. C. Paper Mills Unaffected

The exchange situation will not affect the business of British Columbia paper mills with the United States, it is explained. It was reported in some quarters that the depreciation of the Canadian dollar would result in the placement of larger orders for newsprint to take advantage of the prevailing prices, but this is not so. United States purchasers of paper pay in United States funds and the fact that Canadian mills pay for their equipment, bond interest and so forth in American funds virtually offsets the difference.

Meanwhile, Coast paper mills report the market situation to be rather better than anticipated and export orders have been received from countries which previously have not been placing much business with Canada.

Dominion Steel Activity Conducted at Low Ebb

From Our Own Correspondent

MONTREAL.—Ore shipments of Dominion Steel and Coal Corp. from its Wabana mines in September amounted to 98,902 tons, an increase of 33,000 tons over shipments in August. Total volume of ore shipped to October 1, however, shows a marked drop at 548,820 tons compared with shipments of 983,832 in the same period a year ago.

Other operations of the company and its subsidiaries are presently being conducted on a relatively low scale and immediate prospects are not encouraging. Unless the steel plant at Sydney receives a substantial rail order in the near future, indications are that it will have to be closed down completely.

The blooming mill has closed temporarily while the wire and nail mills will continue to operate until present orders are completed which will be about October 20. There is little in sight after that date.

The open hearth department will carry on until pig iron and stock is cleaned up, and the rod and bar mill will roll orders as received on a basis of two or three days a week.

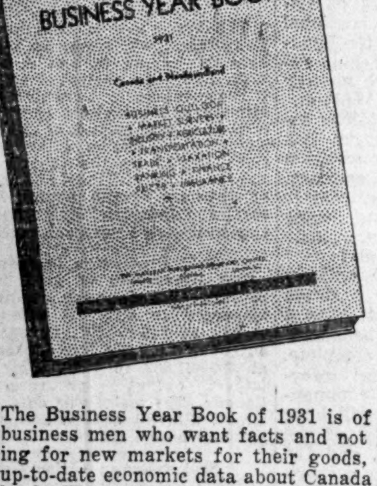
B. C. Fruit Crop Looms as Best Quality on Record

Fears that part of the B. C. fruit crop might be lost or fail to mature properly through drought were dispelled by the wet weather experienced in early September, and present indications are that, while the crop will average but 65 to 75 per cent of the record production of last year, it will be one of the highest quality and best colored crops on record.

Economic conditions considered, the marketing of the soft fruits is reported to have been fairly successful, this being largely attributed, locally, to the dumping duties placed on foreign fruit.

Everything is in This Book

One man asked another for information regarding the taking over of a certain bank. Taking up The Financial Post Year Book he said: "Everything is in this book, that ought to be in it," and it was.



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The Business Year Book of 1931 is of particular interest to business men who want facts and not guesses when searching for new markets for their goods, and for accurate and up-to-date economic data about Canada and about Newfoundland. The 1931 Business Year Book is larger than any of its six predecessors due to the enlargement and revision of every chapter and the new features it contains. Over 220 pages. A few copies left. $2.00.

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Banking and Monetary System Ably Defended By Committee Member

"Let our governments remove from our shoulders the burdens of restricted trade and business conditions will improve," said George W. McPhee, K.C., M.P., member of the Banking Committee of the House of Commons in an address upon "Banking and our Monetary System," delivered at Yorkton, Sask., recently.

Outlining the banking structure Mr. McPhee brought many interesting points to light bearing upon the present financial, trade and exchange situations, particularly emphasizing the care the banks are compelled to exercise in times such as the present:

Bank's Functions

"The subject of banking is one that has engaged the best brains of financiers, statesmen and economists in modern times and should not be treated lightly. I know it might be popular in times of depression to condemn existing banking institutions, but as one with some public responsibility, the reasonable course to pursue as I see it is to look at the matter rationally, keeping in mind that our banks are primarily custodians of the deposits of hundreds of thousands of depositors, and that the safety and security of the depositor is of prime concern.

"It was only sixty years ago that currency in Canada was made uniform and the British Sovereign was made by Act of Parliament legal tender at $4.86 2/3. This legislation was reaffirmed in 1910 in Canada by Act of Parliament when authority was granted for the coining by the Royal Mint at Ottawa of $5, $10 and $20 gold coins, which were also made legal tender. Gold coins have never been a popular medium of exchange in Canada and none have been struck off since 1919.

"Canadian gold is refined from the rough deposits at the Royal Mint at Ottawa, in bars worth from $10,000 to $11,000 each, which are delivered to the Department of Finance. This gold is held by the Department of Finance as gold reserves to stabilize the rate of exchange between Canada and countries with which Canada trades, the reserve fluctuating as the balance of trade fluctuates, the gold reserve at the last fiscal year being $62,995,280. So much for our gold as a part of our monetary system.

Paper Currency

"Next we come to the paper currency, as a part of our monetary system and the following is a brief outline of Canadian legislation in that respect.

"The first session after confederation authority was granted by Parliament for the issue of Dominion Government notes up to $8,000,000. These notes were to be protected by the Finance Department by having 20 per cent in gold as a reserve up to $5,000,000 and 25 per cent over that amount. In 1870 the issue was increased by Parliament to $9,000,000 with similar protection re gold reserve. In 1872 Parliament enacted that any increase over $9,000,000 in notes should be protected by a gold reserve of 35 per cent. In 1875 Parliament enacted that beyond $12,000,000 notes issued the Finance Department should hold dollar for dollar in gold and between nine and twelve millions 50 per cent of gold was to be held.

"In 1880 the basis of the present monetary standard was established a reserve of 25 per cent in gold and guaranteed debentures being required, of which at least 15 per cent was to be in gold, the limit being raised to $20,000,000. In 1895 Parliament enacted that notes might be issued over 20,000,000 on the Finance Department holding dollar for dollar in gold for the excess. In 1903 the Finance Act was amended whereby gold was to be held in reserve of not less than 25 per cent on Dominion notes issued up to $30,000,000 beyond $30,000,000 the Minister of Finance was required to hold gold in reserve equal to the excess. In 1914 the amount was increased to $50,000,000 and in 1915 to $76,000,000 on the same conditions and any amount over $76,000,000 providing an amount in gold equal to the excess is held by the Finance Minister as reserve.

"By this it will be seen that successive parliaments in Canada since Confederation have cautiously moved forward step by step, thinking it their duty to see that in the issue of Canadian currency the maximum security should be provided ensuring the greatest possible stability to Canadian securities throughout the world. The Dominion note circulation at the end of the last fiscal year was $209,962,827.

Bank Notes

"Banks by our bank act are authorized to issue notes to the amount of their paid-up capital. In addition from the first of September to the end of February in each year (this being the crop movement period) the banks may issue paper currency to the amount of 15 per cent of their combined capital and 'rest or reserve' funds. The banks pay interest on this excess at 5 per cent. A bank may also increase its circulation by depositing with the Minister of Finance dollar for dollar in gold or Dominion notes. The bank notes in circulation at the end of the last fiscal year were $178,291,000. The circulating monetary media in the hands of the general public at the end of the fiscal year was as follows:

"Silver $28,638,105. Nickel $1,330,498. Bronze $2,200,780. Bank Notes $178,291,030. Dominion Government bills $247,362,478,000.

"Small Change" of Commerce

"In advanced industrial societies money is after all 'the small change of commerce.' The great bulk of monetary tranfers particularly in the case of the larger transactions is made through the banks. An American statistician is authority for the statement that about six per cent of the business transactions of the country are financed by the use of money and the remaining 94 per cent by the use of cheques, bills of exchange, etc. Our Canadian banking system is therefore threefold.

1. It puts into circulation the paper currency which forms the circulating medium for small exchanges.

2. It provides a mechanism of exchange by the issue of cheques, drafts, etc.

3. It forms a means by which the credit of the banks and their unused deposits may be put to immediate productive use.

Loan Responsibility

"The criticism levelled at our banking system in times of depression is that it is almost impossible to secure a loan. Well let us not forget as I stated in the earlier part of this address that the prime necessity of a banking institution was to protect its depositors. Loans are made on credit with reasonable assurance that the loans will be repaid according to the tenure thereof. In other words under our system loans cannot become what is known as 'frozen' loans otherwise the banks would not long remain solvent. Banks not being allowed to take mortgages on loans except for seed time, etc., they naturally must look at the purpose for which the loan is requested and if the proposed borrower cannot show a reasonable hope that the loan will be repaid according to the tenure thereof then it would be quite possible that the loan be refused.

"In times of prosperity business is good, the turnover as it is termed in business is brisk, a man buys something today he knows that he can sell it tomorrow at a reasonable profit, or at least for what he paid for it. One's credit is thereby of such an order that trust is established between him and his banker. I hold no brief for our banking institutions. I am only giving to this address the same consideration that one in public life should give to all problems, and the matter in my humble way of thinking, is not one of banking but one of trade. Let our governments remove from our shoulders the burdens of restricted trade, and then business conditions will improve and with improved business conditions will come increased credit and trust and with all these will come general prosperity and there will be no fault-finding with our monetary or banking system.

Answers to Questions

"Now let me answer the questions asked in the notice advertising the meeting.

"1.—Is it not a fact that the present world shortage of gold is largely the cause of the economic conditions at the present time?

"My answer is that it is not a matter of the shortage of gold, it is a matter of the uneven distribution of it brought about by the various causes that I have already mentioned.

"2.—If commodity prices were reduced twenty-five per cent would it not eliminate the need of paper money to that extent?

"My answer is 'Yes,' but how can you get a reduction of twenty-five per cent in commodity prices in a world that has apparently gone tariff mad.

"3.—If so, would not the purchasing value of the dollar be increased proportionately?

"My answer is 'Yes.'

"5.—Are not the inflated prices of commodities responsible for the world shortage of gold? My answer is that they are responsible for the lessening of the purchasing power of our dollar and for the uneven distribution of gold.

"What is the remedy for all this. Is it in a national system of banking as they have it in the United States or Australia? Lord McAulay, the great British historian gave the answer to the people of Great Britain 100 years ago. His words were applicable to Great Britain then, they are applicable to Canada today:

McAulay 100 Years Ago

"'The present moment is one of great distress. But how small will that distress appear when we think over the history of the last forty years: A war, compared with which all other wars sink in insignificance; taxation, such as the most heavily taxed people of former times could not have conceived; a debt larger than all the public debts that ever existed in the world added together.

"'If we were to prophesy that in the year 1930, a population of fifty millions, better fed, clad and lodged than the English of our time, will cover these islands—that machines, constructed on principles, yet undiscovered, will be in every house—that there will be no highways but railroads, no travelling but by steam—that our debt, vast as it seems to us will appear to our great-grandchildren a trifling encumbrance, which might easily be paid off in a year or two—many people would think us insane.'

"And then here is the remedy which he prescribed and the same remedy is applicable to this country today:

"'Our rulers will best promote the improvement of the people by strictly confining themselves to their own legitimate duties—by leaving capital to find its most lucrative course, commodities their fair price, industry and intelligence their natural reward, idleness and folly their natural punishment—by maintaining peace, by defending property, by diminishing the price of law, and by observing strict economy in every department of the state.

"'Let the government do this—the people will assuredly do the rest'."

No Extra Cost Added By New Exchange Duty

It is apparent that some confusion still exists in regard to the new exchange-dumping regulation recently introduced by Ottawa order-in-council. The new regulation was not framed with any idea of adding anything to the cost of imported goods to the Canadian consumer, but only to balance or offset the difference between the landed cost as it would be with the pound sterling at par of exchange and that the cost is with the pound at its depreciated value. In other words, Canadian importers will pay no more or no less than they would before Great Britain went off the gold standard the new regulations providing a uniform cost on the basis of $4.86 2/3 cents, for all goods imported from Great Britain. A ruling which now applies in the same way to all depreciated currencies.

A clear idea of the way in which the new regulation functions may be obtained from the following illustration, which shows:

(a) Duty payable when exchange is at par;

(b) Duty payable on the same commodity with the pound at $4.40, without the exchange-dumping regulation;

(c) Duty payable with the pound at $4.40 and with the new regulation in operation.

Earthenware

(a) At par $4.86 2/3:	
Duty £100—$487.00 at 25% less 10%	109.58
Excise tax $596.58 at 1%	5.97
Sales tax $596.58 at 4%	23.86
	$139.41
(b) With the pound at $4.40 Rate:	
Duty £100 at $4.40—$440.00	
Duty at 25% less 10%	99.00
Excise tax $539.00 at 1%	5.39
Sales tax $539.00 at 4%	21.56
	$125.95
(c) Under Present Ruling:	
(Par $4.86 2/3. Rate of exchange $4.40)	
Duty £100—$487.00 at 25% less 10%	$109.58
Value at $4.40—$440.00: spec. duty	47.00
Excise tax $596.58 at 1%	5.97
Sales tax $596.58 at 4%	23.86
	186.41
Less cost remittance	47.00
	$139.41

TRADE FACTORS AGAIN DOMINATE WHEAT MARKETS

Canadian Wheat in Strong Position—Russia Menace Fading

From Our Own Correspondent

WINNIPEG.—Although the exchange situation was for some time after Great Britain departed from the gold standard on September 26, almost a dominating factor in the international wheat trade, its importance has receded during the past week, and factors more directly connected with the actual wheat position are assuming greater importance.

World shipments continue at a high rate, and an increasing proportion of them is being made from the North American continent. United States prices are back practically where they were before Great Britain's action. Winnipeg prices fluctuate in comparison with United States prices as the discount on the Canadian dollar varies, but the full amount of discount is not reflected in prices, which tends to give Canadian wheat an advantage in making export sales. The more distant futures reflect the dollar discount even less than do cash prices, indicating that buyers have some apprehension of an advancing rather than a declining tendency in the Canadian dollar before May.

Russian Shipments Decline

A great deal of attention is being paid to the decline in Russian shipments, which although still substantial are sufficiently reduced to confirm the impression that the crop in the interior has been poor, and that total Russian exports for the year may not reach last year's figures. Total stocks on passage, at 36,000,000 bushels are low for this time of year, and taken with the general condition of short supplies in importing European countries, from low carryovers and somewhat disappointing harvest returns, leave the impression that buying should continue at a good rate. Canada's share in total export business since the beginning of the crop year, very largely owing to the pressure of Russian shipments, has been less than a satisfactory proportion, but substantial improvement is looked for from now on.

No. 1 in Demand

Insistent demand for No. 1 Northern wheat has been a feature of the trade, with premiums advancing to 2¼ cents over the October delivery, while No. 2 and No. 3 Northern have been on a delivery basis, while the premium on one hard has been from one to one and a half cents over one northern. Two factors have played an important part in this situation one being the fear that weather damage to unthreshed grain may considerably cut down the percentage of the highest grades available from crop deliveries later in the season. Another is the effect of high duties in importing countries in Europe, for when importers have to pay from 85 cents to $1.40 a bushel duty, no matter what the grade of wheat, they want to get the greatest possible value for their outlay, and the premium for the higher grades is of less comparative importance than when expressed in Winnipeg prices.

A large part of the exports of Canadian grain since the opening of the season have been No. 1 Northern. The crop year started with about fourteen million bushels of No. 1 Northern and No. 1 hard in store at the head of the lakes, and more than that quantity of these grades has since been unloaded there, but stocks have been reduced to about seven million bushels. Stocks of No. 2 Northern have tended to hold at about the same level, and stocks of No. 3 Northern have very considerably increased. The carryover problem of Canada so far as stocks of one northern and one hard is concerned has been disposed of, just as during the preceding year the surplus situation in durum wheats, owing to their comparative scarcity, was cleaned up.

Grain Act Criticized

Adverse effects of the anti-mixing regulations now incorporated in the Canada Grain Act are seen by observers, especially with respect to the situation in No. 2 Northern. While considerable quantities of that grade include Garnet wheat, which is not eligible to go into No. 1 Northern, there has been a good deal of No. 2 Northern which, by cleaning out lighter wheat and an admixture of No. 1 hard, could have been made into excellent No. 1 Northern, and given greater quantities of the grade which the market is actually demanding. It seems likely that insisting upon No. 1 hard being exported as a separate grade, instead of allowing its use in mixing, where the premium value would have been just as great, if not greater, than has prevailed, has meant both exporting smaller quantities of wheat, and a lower total return than would otherwise have been possible.

New England Power Output Shows Gain

From Our Own Correspondent

MONTREAL.—New England Power Association, a division of International Hydro-Electric System increased its September output of electric energy by 11 per cent over the same month last year. The Association produced 141,540,000 kw.h. in September this year, while for the first nine months of 1931 production showed a gain of 8 per cent over a corresponding period of 1930.

Frank D. Comerford, president of the Association states that the curve in power production turned upward during the summer and in September was nearer normal than at any time in 1931. Residential load, he says, is steadily increasing.

He continues "New England Power Association anticipates continued improvement in October. The Boston Edison takings increased fifty per cent on the first of the month. Also, water conditions on the Connecticut and Deerfield are practically normal, whereas at this time in 1930 they were fifty per cent below normal."

Would Wind Up Affairs of Dominion Factors Ltd.

From Our Own Correspondent

MONTREEAL.—Presentation of a petition to wind up Dominion Factors, Ltd., indicates that the company, which was formed to further the distilling companies' export business, has not met with unqualified success. While distilleries have made no statement, it is known that conditions in the export market have shown little improvement.

Dominion Factors affairs first came to notice when the company was named one of the defendants in an action brought by the British Columbia Distillery Co. to break a contract entered into between Dominion Factors and fifteen of Canada's largest distilleries, whereby the former was named selling agent for all the distilleries. The British Columbia company attacked this agreement on the ground that it constituted a combination in restraint of trade. The action is still pending.

Recently, Dominion Factors called a special meeting for the purpose of winding up the company, and United Distillery Co. sought an injunction to prevent the meeting. The injunction application was dismissed, but it is understood that United Distillers will contest the present winding-up proceedings.

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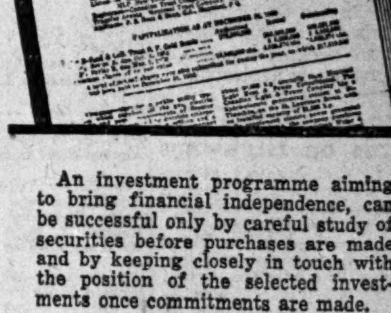
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VISIBILITY LOW FOR NEAR FUTURE, ELECTION FACTOR

While Keeping Funds Liquid, Retreat to Storm Cellar Not Necessary

I have been a reader of your paper for a number of years and am writing you now for some advice.

I have just been reading the current issue of The Post, and am wondering if there is any cause for alarm over the present financial crisis in Great Britain, and the world-wide depression generally.

I am holding about $25,000 in stocks and bonds such as: Bell Telephone; Con. Gas; Bk Commerce; Hollinger; Noranda, and Dom. Canada; C. N. R.; Govt. Ont. and City Winnipeg Bonds.

In view of the present financial situation, do you think I would be well advised to convert most of these into cash, and put it in the bank until such times as conditions are better? While I know you do not pretend to predict about the future, would appreciate your candid opinion re above?

The present financial crisis in Great Britain is undoubtedly a serious one, or the British Government would not have found it necessary to go off the gold standard. Some economists hope that out of this move there may arise more effective effort to limit inter-Governmental debts in Europe, to settle the reparations problem on a more workable basis, and to reduce somewhat some of the worst of the tariff barriers which have been working against the export of Canada's primary products. In other words, they hope it proves a constructive step. But the result of the British elections cannot be predicted at this time and later policy waits on that.

Opinion differs widely among experts from those who believe that Britain's recognition of realities by departing from the gold standard marks what will later be regarded as the turn in the depression to those who think that it will be followed by more serious consequences still.

The sky is cloudy and the wind is high but the cyclone cellar is not yet indicated.

Montreal Power

Among my holdings are some shares of Montreal Power and I have been considering buying some more of the stock. Has the company done well this year or is its outlook affected by current business conditions?

In view of existing conditions the outlook for Montreal Power is not unattractive. The company published an earnings statement covering the first eight months' operations this year, which revealed higher earnings and dividends covered. This can be considered an encouraging showing in the light of generally poor conditions and indicates the satisfactory position which the company occupies. It has grown steadily with the area it serves, and since its territory comprises the largest metropolitan district in Canada, progress in the future would seem to be fairly well assured. The stock is well regarded and ranks as one of the leading trading securities; whether the relatively low yield afforded by current market levels will fit into your requirements is a matter for your own decision.

C. & T. Building

I hold some stock in Commerce & Transportation Building, Ltd., and have been asked to subscribe to preferred shares in a new company which would take over the assets of the present company. I understand that the proceeds from the sale of this preferred stock would be used to pay off a certain amount on the present mortgage.

Would you advise me to make an additional investment in this building? What will be the position of a shareholder who does not subscribe to the new preferred stock?

The plan proposed by G. T. Clarkson and adopted by shareholders of Commerce & Transportation Building, Ltd., would appear to offer the last opportunity of shareholders to protect their equity in Commerce & Transportation Building. Since the plan was adopted further difficulties have been encountered by the fact that the American funds which are required to pay off the existing mortgage are now at a very high premium. If this continues, it will necessitate the raising of additional funds.

Funds must be raised by Oct. 27 in order to pay off the arrears of interest which have accumulated over a period of time and shareholders of Commerce & Transportation Building have been asked to subscribe to preferred shares in a new company which would take over the assets of the present company, Commerce & Transportation Building. If sufficient funds are not raised through the sale of preferred stock, those who have subscribed to the stock would receive their money back. If sufficient money is raised to pay off the arrears, it is possible that given better rental conditions in Toronto, the building should earn enough not only to cover operating expenses, which we understand it is doing at the present time, but sufficient to cover mortgage interest and permit some payment on the preferred shares.

Under the present proposal, the shareholders of Commerce & Transportation Building Ltd. will receive 30,000 common shares in the new company in return for their present equity. It would probably take a very considerable period of time before these common shares derived any return from the operations of the building by the new company.

Depressed Stocks

I hold the common stocks of Gypsum Lime & Alabastine (Canada) Ltd., Lake of the Woods Milling Co. and Canada Bread Co. Which of these stocks carries the best equity per share? In the light of present conditions, which do you think has the best chance of recovery?

I do not have to do anything with these holdings but would switch if I thought it was interesting.

The financial statement of Canada Bread Co., recently issued for the fiscal year ended June 30, 1931 showed a deficit for the year of $182,325, after payment of dividends on the preferred and common stocks. At June 30, 1931, the common shares had no equity. The dividend on the class "B" preferred has been deferred for one month. Dividend was payable October 1.

The annual statement of Lake of the Woods Milling Co. for the year ended August 31, 1931, is due almost immediately, and it is not expected that preferred dividends have been earned from operations alone, although returns from investments and from other sources will increase the final figures. At August 31, 1930, the common stock of the company had an equity of around $50 per share. In April of this year shareholders approved a $6,000,000 bond issue of which $4,000,000 was to be issued and held by the company's bankers in exchange for bank loans which totalled $3,940,000 at the end of the fiscal year ended June 30, 1931, would not affect the book value of the common stock, but if more bank loans have been incurred during the current year, the equity will probably be lower.

The equity of the common shares of Gypsum, Lime & Alabastine (Canada) Ltd. at December 31, 1930, amounted to $13.51. The company has reduced the common dividend twice during the current year, but the liquid position is reported to be fairly well maintained. Until building construction picks up and industrial demand for the company's products improves, the company will not show any material gain in net earnings, although operating costs have been reduced to a low point.

The three companies, whose common stocks you hold, have all been most adversely affected by conditions that have prevailed during the past two years and it is not possible to predict which of these companies will make the most rapid recovery. Unless there has been a very material change during the past year, the equity of Lake of the Woods common is well above that of the other two, but on the other hand the price of the stock has shown the most drastic reduction of the three. The book value of the stock should not be the only factor to be considered in making a change.

Western Savings

Will you kindly let me have your opinion regarding the Western Savings & Loan Association, Winnipeg, Man.? This association is selling savings certificates for the period of nine or 15 years, with six per cent interest compounded every six months.

I should thank you very much for any information you may be able to give me regarding the financial standing and the kind of business of this association.

Western Savings & Loan Association operates chiefly in Manitoba but is also registered in Saskatchewan and Alberta. The company invests its funds in first mortgages, chiefly on residences, and to some extent in Dominion of Canada bonds. The company is subject to the jurisdiction of the Municipal and Public Utility Board of Manitoba and auditors' reports are filed each month with this board.

As at April 30, 1931, the company reported assets applicable to certificates of $203,846 of which $193,762 was in first mortgages and $5,563 was in Dominion of Canada bonds and the remainder being cash. Liabilities to certificate holders at that date amounted to $156,395 leaving a surplus in favor of certificate holders of $46,451.

In investing in certificates of the type offered by this company, it is advisable for the investor to consider thoroughly his ability to maintain periodic payments due. If the periodic payments are made regularly during the full ten-year period the plan should prove satisfactory to the investor, but if it is necessary to discontinue payments during the first few years the plan would not prove a profitable one to the investor.

B. C. Telephone

I hold 20 shares of preferred stock of British Columbia Telephone Co. and it has been proposed that I should sell these shares at 104 and buy Associated Telephone & Telegraph Co. 5½ per cent bonds at 89 and take the cash difference for re-investment. Would I be wise to do this from the standpoint of security? Just who is the Associated Telephone & Telegraph Co. and what is the security behind the bonds?

On September 21, you wrote us regarding the advisability of an exchange of B. C. Telephone preferred stock at 104 for the 5½ per cent debentures, series "A" of Associated Telephone and Telegraph Company at 99. On September 21, Great Britain published her decision to go off the gold standard temporarily and since that date monetary exchange rates have been demoralized. The circumstances surrounding the original offer of exchange would no longer exist.

Associated Telephone & Telegraph Co. is a holding company controlling, directly or indirectly, telephone operating companies, telephone equipment companies and other companies doing a related business in a great many countries. Demoralization of exchange rates between the various countries will affect the company but to what extent we are unable to say at the present time. The British Columbia Telephone Co. is one of the principal subsidiaries while other subsidiaries are located in Portugal, Venezuela, Jamaica, Colombia, Great Britain and Belgium. Other companies are controlled in other parts of the world.

The 5½ per cent 25-year gold debentures, Series "A," of Associated Telephone and Telegraph Co. are due May 1, 1955, and represent the senior obligation of the company, but are subject to first liens on assets of subsidiary companies. These debentures are outstanding to the extent of $10,000,000. The debentures are redeemable at 105 on or before May 1, 1945; premium decreasing thereafter. Bond interest requirements were earned 6.36 times in 1930 after provision for depreciation, taxes, and payment to security holders in subsidiary companies. In August, 1931, however, it was reported that earnings for the current year are not expected to equal those shown in 1930 and the events of the past month have been adverse rather than beneficial.

British Columbia Telephone Company has $7,500,000 of 5 per cent first mortgage bonds, Series "A," due 1960 outstanding and £912,632 of 4½ per cent first mortgage debenture stock due 1962. There are two classes of preferred stock, both having a par value of $100 per share. The 6 per cent preference stock is outstanding to the extent of $1,000,000 and in 1930 each share of this stock earned at the rate of $73.86 per share, against $6 paid in dividends. If this is the stock you hold, it is very well secured and is redeemable at 110 at three months' notice. Ranking after this stock there is $4,500,000 of 6 per cent preferred which earned at the rate of $15.08 in 1930. At December 31, 1930, the equity of each preference share in the assets of the company, was $1,111, and the equity of each preferred share was $222.

British Columbia Telephone Co. has firmly established itself in the Province of British Columbia and the number of telephones in service has increased from 78,289 in March, 1924, to 117,356 in December, 1930. The gain was fairly well distributed in each of the intervening years.

Gypsum, Lime

Would you recommend the shares of Gypsum Lime and Alabastine, Canada, at the present time? I do not mean for a quick turn, but for a hold. I have some of the stock now and thought I might buy some more.

To the fact that market conditions are unsettled, and share values pegged on the Canadian Stock Exchanges, must be added the fact that Gypsum, Lime and Alabastine (Canada) has just cut its common dividend in half representing the second reduction to be made in disbursements this year.

No figures on earnings have been published this year to date, but dividend action indicates that profits have declined in line with the drop in constructional activity. It is understood, however, that the company still maintains a strong liquid position.

In 1930, after dividends, the company reported a deficit of $285,939.

Penmans

Is Penmans' doing well this year? I own a few shares, but in view of the general slump in the textile industry, I have wondered whether Penmans had been seriously affected.

Manufacturers of woollen and knitted goods have felt doubtful whether Penmans earnings will show much improvement over those of the previous period. In 1930, profits were equal to $1.93 a share on the common, as contrasted with payments of $4 a share which are currently maintained. The company has an excellent record in the past and surplus at the end of 1930 was $1,641,347. Whether dividends will continue to be paid, if not fully earned, remains to be seen; the current yield of over 12 per cent on the common stock today is not altogether encouraging.

P. Lyall Construction

I would be much obliged to receive further information on the Peter Lyall Construction Co. whose shares I hold. I would like to know if there is any prospect for getting anything for them and also if there has been any definite decision regarding the company's claims against the government which I am told exist.

Though progress has been made in liquidation of the estate of P. Lyall Construction Company, we understand that it may be a year before the company is finally wound up. Contracts presently on hand will have to be finished and the company still has a substantial job ahead of it on the Welland Canal. Other contracts have been finished but when payment for completed contract is finally made, further delay may be anticipated due to the involved situation as regards secured and unsecured creditors.

The claims of P. Lyall Construction against the Federal Government total about $1,200,000. These claims embody a dispute regarding work done on the Welland Canal. We understand there has been no definite decision made regarding the claims, it is impossible to hazard what the outcome will be.

A favorable settlement would have an important bearing on the situation surrounding shareholders; the position of the secured and unsecured creditors must be decided before it is possible to estimate what shareholders might get. Some statement from the liquidators may be expected in the course of the next few months.

Dominion Bridge

Among my holdings are some shares of Dominion Bridge Co. which I have always regarded highly. However, in the light of present conditions I am wondering whether the dividend is entirely safe. What do you think?

Lower demand for structural steel, owing to the reduced volume of major building contracts this year, has probably affected earnings of Dominion Bridge Co. while the company has also sustained a loss in the revenue formerly derived from its holdings in Dominion Engineering Works; the latter company has deferred payments on its common stock. The business outlook is so confused that it is impossible to hazard a guess as to the company's prospects for the next fiscal year which begin on November 1; the current yield on Dominion Bridge shares, which is over 11 per cent, indicates that investors have some doubt regarding the maintenance of dividends at the present rate. The long term outlook is more encouraging. Dominion Bridge is the largest factor in the Canadian structural steel industry and in recent years has expanded its scope of activity, so that today it has plants in all principal centres in the Dominion and is in a favorable position to bid strongly on any business offering. The company has done well in the past, it occupies a strong financial position, and given better times, should make further headway.

National Breweries

I would be grateful for some information on National Breweries regarding current earnings and progress made last year. What are the prospects for the future?

Despite generally unfavorable conditions, National Breweries in 1930 recorded the highest earnings in its history, and profits were equal to $2.40 a share on the common stock, against current dividend rates of $1.60 a share. Our understanding is that sales are somewhat lower this year but no figures on earnings have been published. The company supplies the major portion of the Quebec market, which hitherto has proved stable, and of recent years has extended its sales into other provinces. The last balance sheet showed a strong financial position, while an issue of $2,775,000 of preferred stock is the only security ranking senior to the common. Quebec, in the past, has been singularly free from the legislative hazards which have surrounded brewing companies in other provinces, a factor which has an important bearing on National Breweries. There has been no indication that there will be a change in the existing situation and in this light the outlook for the company is satisfactory.

Canadian Pacific

I hold a 4½ per cent note certificate of Canadian Pacific Railway which I have always regarded as an excellent investment. Do you think I should sell this in view of the company's lower earnings?

We do not think you need entertain any concern regarding your C. P. R. 4½ per cent note certificate. Though the statistical position of these securities is perhaps not as strong as some of the company's bond issues, interest constitutes a fixed charge on earnings and ranks ahead of the preference and ordinary shares. As you probably know, the certificates are secured by assignment to the trustee of all unpaid purchase money or deferred payments owing or accruing to the railway company from lands in Manitoba, Saskatchewan, Alberta and British Columbia, sold or contracted to be sold prior to December, 1924. The amount accruing the railway company in 1924 was $66,000,000.

Though earnings of C. P. R. have shown a sharp decline this year, prospects for an improvement in the railway situation are seen in the appointment of a Royal Commission to investigate the whole railway situation. Duplication of trackage, train service and many other factors which are hampering progress today will be dealt with; and any tangible results, together with a betterment in business conditions should materially help the Canadian Pacific Railway.

Consolidated Paper

A client of mine holds a certificate of deposit on a Wayagamack bond. Do you know if there is a market for this and has it any present value?

As far as we know, there has been no tentative trading in the new income bonds of Consolidated Paper Corp. and accordingly the deposit certificates of your client have no market at the present time. As you know, a $500 bond of Port Alfred will receive $500 of new bonds and five shares of Consolidated Paper Corp. common stock. Shareholders will meet in the near future to give final approval to the reorganization plans and it may be expected that the new securities will be issued shortly afterwards. A market should then become available.

Canadian Car

Please be good enough to tell me your views on the common stock of Canadian Car and Foundry Co. Do you think the dividend is asssured, and for the long pull can the outlook be regarded as satisfactory?

Though the common dividend outlook for Canadian Car and Foundry Co. is rather indefinite, as indicated by a yield of 28 per cent on the stock at current levels, prospects for the long pull have been made more interesting by recent proposals. Shareholders will be asked in the near future to approve a by-law enabling the company to purchase its own preferred stock; hitherto the preferred shares have been non-callable. If this plan matures, it is possible that Canadian Car will utilize some of its large cash resources to redeem some of the preferred shares which constitute the only senior charge above the common. Naturally redemption of preferred stock will strengthen the equity back of the common and generally improve its position. Equipment companies, however, are facing what may prove to be a lean year or two, a factor which should be borne in mind when considering the shares from an investment angle.

Jenny Lind Candy

Can you give me any indication of the current position of Jenny Lind Candy Shops Ltd.? Is the preferred stock of this company a good investment?

The Jenny Lind Candy Shops Limited has now been in operation one year. Seven stores were started in Toronto in October, 1930, and two more were opened just before Christmas, 1930. During the present year, five stores have been opened, bringing the total to 14 at the present time, of which 13 are in Toronto and one in Hamilton. It is expected to open six new stores this fall, of which two will be in Toronto and four will be in other Ontario cities. The company owns and operates a three-storey studio building in Toronto.

Operations of the company to August 31, 1931, show a net profit available for depreciation and preferred dividends. The company's first fiscal period will end on Dec. 31 and will cover approximately 15 months. Operations during the next three months are expected to show peak sales for the year and increase net profits. There is a mortgage of $34,600 outstanding against the plant and about $133,000 of the 7 per cent preferred stock of $35 par value, has been paid up. There are some 26,000 shares of no par value common stock outstanding.

The financial statement covering the company's first fiscal period will be issued some time during January, 1932. It would appear that the company had made considerable progress during the past year in face of depressed business conditions and the resulting difficulty in obtaining new financing. In addition to these factors it must be considered that the past summer was so hot that sales of candy were adversely affected.

Champion Simmons

I have purchased a $2,500 pension bond issued by the Champion Simmons Investment Corp., Regina, on which there is a premium of $185 per year for 10 years. I should like to know what margin of security there is in this investment. How can I ascertain the standing of this corporation?

Champion Simmons Investment Corp. received a Dominion charter in December, 1929, and issues and sells 10-year accumulative installment certificates of which there are now $790,000 (security value) in force. We understand that the company has met the requirements of the Saskatchewan Security Frauds Prevention Act and according to the certificates issued by the company the liability on certificates issued is secured by deposits of an equal amount of first mortgages on improved real estate, cash and government bonds. These deposits are held by a trust company.

The company is subject to the jurisdiction of the Attorney-General's department of the Saskatchewan government, and the agreement cannot be terminated except with the consent of the department. It should be possible for you to obtain direct from the company, from time to time, statements as to certificate liability and as to securities on deposit against these liabilities. A credit agency should be able to give you the corporation's credit rating or you can check with the Royal Bank which is the corporation's banker.

Important points to consider with regard to the security behind the certificates are the type of first mortgages held, the diversification of risk and the care taken in selection of risks. We are unable to say to what extent provincial officials can control these points.

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The Toronto Industrial Commission announces the early commencement of operations of a new industry in Toronto, Huntingdon Laboratories of Canada Limited, manufacturers of Baby-San and pure Castille liquid soaps, soap dispensing apparatus, floor wax and other floor maintenance materials. Huntingdon Laboratories of Canada Limited is a new Canadian subsidiary of Huntingdon Laboratories, Inc., of Huntingdon, Indiana.

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THE Toronto General Trusts is not affiliated with any other financial institution. With a reserve and undivided profits of $4,000,000 and a capital of $3,000,000 it enjoys a strong position; while its experience in all trust capacities for individuals and business concerns extends over a period of forty-nine years.
Independence, integrity and experience are the first essentials in a trustee. This Corporation offers the public of Canada an unexcelled and unbiased service based on these.
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General Manager.
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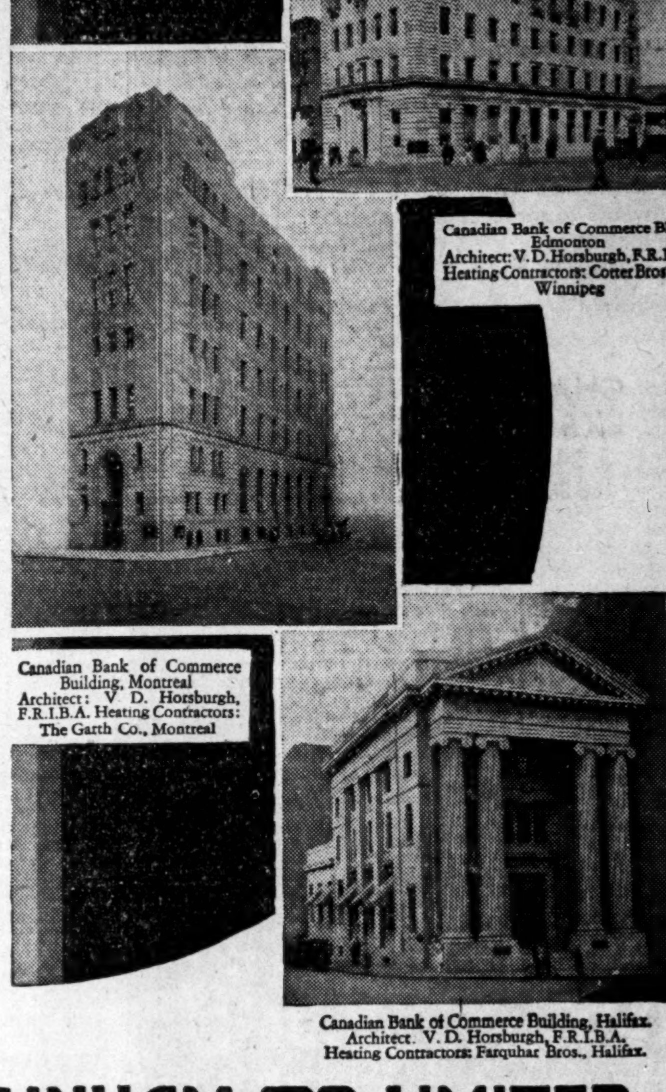

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122C

Insurance for Buyer and Seller

APPRAISAL BASIS FOR INVESTMENTS UNDER DISCUSSION

Insurance Companies Consult Federal Superintendent on Investments

Meeting of Canadian insurance company executives and federal insurance officials which took place in Toronto last week may possibly result in a revised basis of valuation of securities held by insurance companies for the purposes of compiling annual statements at the close of the current year. While no definite information is available as to the representations made by the companies, the Superintendent of Insurance has the matter under consideration, and will announce his decision later.

Meanwhile, the National Convention of Insurance Commissioners of the United States have decided to adopt security values at not exceeding closing prices on June 30, 1931, as the basis for assessing holdings, it being held that prices at this date represent the average market prices of bonds and stocks in the five quarters ended Sept. 30, 1931, as opposed to the former policy of valuation as at Dec. 31, which, in the opinion of the National Convention is not a fair standard under present conditions.

Hartford Men Disagree

Disagreement with this plan is reported on the part of insurance executives in Hartford who are stated to have rejected the formula proposed by the National Convention. Among these are Richard M. Bissell, president of Hartford Fire Insurance Co. who describes the revised plan as "a great mistake." The Phoenix Fire and Aetna Fire are other companies which, it is reported, will use December 31 valuations, regardless of the ruling of the National Convention, while one member of the convention, Insurance Commissioner Howard P. Dunham, Connecticut, has filed a dissenting opinion, stating that in his view the insurance commissioners "would not only be doing an unsound and unwise thing in approving valuations other than current valuations at the close of the year, but in addition would be pursuing a course contrary to their office and in some instances contrary to the terms of the statutes."

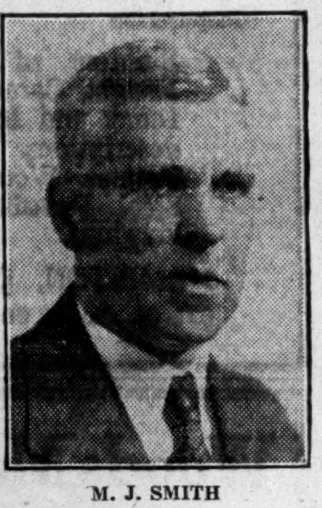
On the other hand, George S. Van Schiack, Superintendent of Insurance of New York, expresses full concurrence with the convention's resolutions, stating:

"Companies which are fundamentally sound should not be forced into embarrassing position because good assets are temporarily frozen. The appraisal of securities at less than fair market value has a tendency to force liquidation at a sacrifice. This is not for the best protection of policyholders, which is the paramount concern of this department.

"The discretion of the Superintendent of Insurance will be exercised, however, to vary this general formula of the national convention as special circumstances demand. Circumstances may arise where the carrying out of a company's contract requires the liquidation of securities to meet its maturing obligations. In such cases it is obvious that the immediate market must be used in order that a correct reflection of financial condition be had."

The subject is one of the most important that has ever faced Canadian insurance companies as the past year has seen values of all types of securities shrink in an amazing fashion and many executives are of the opinion that to have to make up these deflated values out of surplus would prove in many cases an unnecessary hardship.

New Ontario Equitable Officials



M. J. SMITH

G. W. GEDDES

Appointed general manager and assistant general manager respectively of the Ontario Equitable Life and Accident Insurance Co. Mr. Smith, the new general manager, has been the company's secretary practically since its inception in 1920, and Mr. Geddes has held the position as actuary with the company since 1925.

Agency Supervisor

J. J. MURRAY

Appointed superintendent of agencies for Dominion Life Assurance Co. Mr. Murray was for several years manager of the company's St. John, N.B., branch, and during the past year was supervisor of training for the company at head office.

MONTREAL SEEKS LOWER PREMIUMS ON FIRE POLICIES

Montreal Amends Charter to Charge Co's With Salvage Services

Stormy debate preceded the decision of the Montreal city council to amend the city charter to permit the cost of the salvage section of the fire department to be imposed upon fire insurance companies.

In the course of the debate, Ald. Oscar Lalonde, of Maisonneuve, claiming that insurance rates were far too high in any relation to the improved fire protection facilities instituted by the city, branded the fire insurance companies generally as a "protected trust." Ald. Alfred Legault insisted that higher costs to the companies must mean higher fire insurance rates, and suggested that something might better be done that would tend to reduce rates, and recommended the city to study the fire insurance rate question to see if reductions are being made in proportion to the expense that the city has gone to in improving the fire department. He thought the city of Montreal might well ask the fire insurance companies what they have done of recent years to reduce rates in proportion to the improvements made in Montreal's fire protection in the shape of fire stations, more auto apparatus, more street pavings more large water lines, more high-pressure circuits and so forth.

The amending clause, which was adopted by the committee, read as follows:

"The city is authorized to recover from the said insurance companies the expenses incurred by its service for the protection of effects, merchandise, etc., against fire (salvage)."

TRAVELLERS FIRST TO STOP WRITING DISABILITY COVER

Premium Waiver and Accident Indemnity Retained

Discontinuance of the disability income feature in life policies has been announced by the Travellers' Insurance Co., Hartford, Conn., effective October 15.

This action is the culmination of an unsatisfactory situation which has been evident for some time past in insurance circles and which caused Canadian insurance companies in June to make an increase of approximately 25 per cent in premium rates on total and permanent disability, while at the same time benefit provisions were modified somewhat.

No announcement has been made so far by any Canadian life company of any action in the way of closing down on the disability income provision, but it is likely that several have it under close consideration, although the conditions may have been sufficiently alleviated by the premium increase to at least postpone further definite action in this regard for some time.

Travellers' Statement

In the announcement to field representatives, James L. Howard, vice-president of the Travellers' said:

"A careful study of the situation convinces us that the restrictions which of necessity would be imposed on the disability income provision, the substantial increase in rates which would be required and the severe limitations as to eligibility would result in so much confusion and disappointment to you and your clients that the continuance of an income disability provision under such circumstances is not justified. The income disability provision will therefore be discontinued on October 15, 1931, and all applications signed after that date will be limited to premium waiver benefit.

"The rate for the premium waiver benefit will remain unchanged until January 1, 1932. Before that date you will be furnished with the new schedule of rates. The new premium waiver disability provision, effective January 1, 1932, will be the same as that now being used, with the exception that the four months' period of total disability required to qualify will be increased to six months, and retroactive action as to premium waiver or premium refund will be limited to twelve months preceding date of notice."

Benefits Too Liberal

As reported in The Financial Post in June last the keen dissatisfaction among U. S. companies, has been evident for some months past, and presaged drastic changes, the matter having been the subject of discussions by the Actuaries Club of Toronto and was prominent also at the annual meeting of the Actuarial Society of America. It was then felt that disability benefits were on far too liberal a scale and had introduced into life insurance elements of friction, such as the adjusting of claims and lawsuits highly distasteful to many concerns.

Losses of life companies operating in the United States, according to a statement made in May by the New York insurance department, amounted to nearly $46,500,000 for 47 companies in 1930 on disability business, one company alone, namely the New York Life, showing a loss of $13,500,000 for the year in this branch of its business.

Of the four Canadian companies writing in New York, three showed losses on their U. S. disability business, as follows: Canada Life, $128,000; Confederation Life, $84,000; and Imperial Life, $1,640. No figures were given for the Mutual Life.

Insurance Alone Remains at Par

"Life insurance is the one investment that I hold that is still at par," was the high tribute paid by Walter P. Burns, eastern manager, Bureau of Advertising, American Newspaper Publishers Association, New York, speaking before the annual meeting of the Insurance Advertising Conference at Toronto last week.

There are nearly 2,000,000 life insurance policyholders in Canada carrying something over $4,500,000,000 of insurance, who will probably heartily endorse Mr. Burns' statement if they stop to consider the wholesale scaling down of values that has taken place in the last two years in almost every form of investment — except life insurance.

Licenses Issued

Department of Insurance at Ottawa announce the following licenses issued:

United States Guarantee Co. is authorized to transact burglary insurance, insurance against loss or damage by accident to employees, other persons or property, and automobile insurance, excluding fire or transportation.

Federal Insurance Co. is licensed to add sprinkler leakage, tornado, explosion and hail (except to growing crops) insurance in addition to classes already authorized.

Lower Insurance Rates Sought by Montrealers

A reduction in fire insurance rates is being requested by a committee representing St. Lambert, Montreal South, Greenfield Park and the parish of Longueuil appointed to approach the Canadian Fire Underwriters' Association, if the plan for co-operation between municipalities named and the South Shore fire-fighting units is to be put into effect.

Assurance of lower rates is sought before the municipalities commit themselves to additional outlay in the matter of apparatus and buildings.

Travellers' New Toronto Branch

The Travellers' Insurance group announce the removal of their Toronto Branch Office to new and large quarters in the Dominion Bank Building, Toronto. This will be the future address in Toronto of the Travellers' Insurance, Travellers' Indemnity and Travellers' Fire Insurance companies.

ROYAL BANK HAS STATELY BUILDING VANCOUVER CITY

New Quarters at Hastings and Granville Sts., Opened June 8

Many fine architectural features are embodied in the Royal Bank of Canada's new building at Vancouver, according to the current issue of the Royal Bank Magazine, which was opened for business last summer. The building is indicative of the steady growth of the bank's business in that city since the first branch was opened there in December, 1897. Since that time the location of the Vancouver branch has changed four times before "settling down" in its new quarters at the corner of Hastings and Granville Streets, the busiest corner in the city, the site of which was purchased in January, 1913.

The new structure has a frontage of 78 feet on Hastings St. and 120 feet on Granville St., with 15 floors above street level rising to a height of 240 feet, and three basement floors, the lowest of which is approximately 45 feet below ground. Approximately 1,800 tons of structural steel went into the framework and some 60,000 rivets were driven by the steel-workers.

Fine Entrance

The three principal façades are carried out in Haddington Island stone (a product for which British Columbia is famous) above a granite base with the main entrance on Hastings Street of black and gold marble, setting off to advantage the massive bronze entrance doors. The approach to the main banking room is featured by a spacious monumental stair in Botticino marble, the short centre flight leading up to the main banking room, and the stairways to the lower banking floor flanking each side.

A new departure in interior design, as far as buildings in Vancouver are concerned, is to be observed in the treatment of the interior walls on both the main and lower banking room floors, these being laid up in Indiana limestone of various shades, which blend very pleasingly with a dado of Napoleon grey marble. The intermediate columns are carried out in Famosa marble, surmounted with rich carved stone capitals. The counters are of black and gold marble, surmounted by a delicately designed bronze screen, and the customers' desks are of similar marble, richly carved. The floors of the public spaces are laid out in panels of Travertine marble, with hand-cut marble mosaic border.

Centre Bay Vaulted

The centre bay of the main banking room extending the full length of the building is carried to a height of 37 feet, the ceiling over this portion being of Romanesque design and richly decorated, with three massive electrical fixtures adding to the interest of the color scheme. The side aisles of this room are treated with vaulted ceilings decorated to harmonize with the color scheme of the adjoining walls. The ceiling of the lower banking room is carried out in a flat-beamed treatment with richly ornamented panels in low relief.

There are approximately 1,550 lights, whle electrical installation involved the use of about 35 miles of wire and cable.

Weekly Bank Clearings

Eastern Cities	Oct. 9, 1930	Oct. 8, 1931
Halifax	$ 3,490,531	$ 3,432,042
Saint John	2,476,349	2,365,220
Moncton	1,068,475	978,237
Sherbrooke	761,907	767,468
Quebec	6,897,284	5,804,590
Ottawa	7,910,183	7,481,507
Montreal	137,450,400	122,706,702
Kingston	1,339,991	814,066
Peterboro'	382,768	709,553
Toronto	129,633,718	109,998,959
Hamilton	7,363,127	5,936,461
Kitchener	1,616,628	1,544,145
Brantford	1,575,889	1,287,683
London	3,458,280	3,391,491
Chatham	659,238	592,103
Windsor	3,789,025	2,962,437
Sarnia	661,461	546,607
Sudbury	924,259	689,212
Western Cities	Oct. 9, 1930	Oct. 8, 1931
Fort William	$ 1,003,409	$ 821,172
Winnipeg	75,100,577	53,110,659
Regina	7,246,637	4,375,386
Moose Jaw	1,250,622	777,756
Saskatoon	2,799,566	1,950,782
Prince Albert	465,760	377,006
Edmonton	6,702,766	4,651,832
Calgary	10,765,759	6,120,282
Medicine Hat	....	330,978

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Current Events in Banking World

N.Y. as Exchange Centre Puzzling to Subscriber

Why must sterling drafts be purchased through New York, asks a subscriber to The Financial Post?

The simplest answer to this query is probably that most sterling drafts are handled in New York because there is a better market for them there due to the magnitude of exchange transactions between the two countries as opposed to a comparatively small volume of business between Canada and Great Britain direct.

The situation is exactly similar to a stock exchange broker who has an order from a Canadian client to sell 10,000 shares of International Nickel stock. The broker knows that to dump that amount of stock on the Canadian market would be disastrous, but that if he attempts to sell it in New York the chances are that it could be done without any demoralizing effect on the price of the stock.

Need Not Go to U. S.

Actually Canadian purchases of sterling drafts need not be handled through New York and in a great many cases if the item involved is small the bank may be able to handle it direct through its "position" in sterling which of course fluctuates from day to day or from week to week. It makes no difference to the Canadian, of course, whether the draft is handled by his bank direct or whether the bank puts the draft through New York, the price is the same, just in the same way that the price received by a Canadian for International Nickel shares in New York would be the same as if they were sold here. Sterling, it must be remembered, has only depreciated (currently) to about $4.40 in terms of Canadian dollars, although it is quoted at $3.85 in terms of U. S. funds, and it is on the basis of the former price that a draft would be sold whether it were handled through New York or Montreal.

There is one other way in which a transaction of this sort could always be handled direct between Canada and Great Britain. If the Canadian seller desired, the bank would merely forward the draft to its correspondent in England for direct collection and the account would be met and cleared in the ordinary way in which a domestic draft would be handled. In that case, however the seller of the goods takes the chance that in between the time he sells the goods, and the time the draft is present and the transaction completed, there has been no appreciable change in exchange rates—a chance which few if any businesses are prepared to take at the present time.

What Editors Say of Banks

Putting Money in the Bank

Stratford Beacon-Herald: Reports from Ottawa say that during the month of August there was an increase of $10,000,000 in deposits in Canadian banks. The amount resting there now amounts to $1,461,091,577.

We have not noticed any statement from the Canadian banks as to whether they desire to keep on taking in money or not. It is quite possible for a bank to have too much money on deposit, because a deposit earning three per cent is a liability for a bank until that money has been put out in the form of a loan.

Who is stacking money in our banks at such a rate? We cannot believe it is the mass of the people, because so many of them are working on short hours with decreased earnings that they are not in a position to do it.

It is not at all likely that farmers are adding to their holdings in savings departments at least if they are it is entirely opposed to all the reports we hear about shortage of ready cash on the farm.

We are inclined to believe that the increased deposits represent money which in normal times would be turning over in business of one sort and another. It represents cash which might be going into extension of plant or the opening of new markets. Some of it might even find use in speculation.

It may be a sign of national and individual strength for a number of people, but it is not a good symptom. It seems to be running along past the stage where it can be referred to as thrift, and approaching the point where this money can be called idle and nothing else.

A heap of money in a bank is only half the cycle—the more important move needed to complete the movement is that people should be going into the banks and presenting good reasons why they should be allowed to take much of it away and put it to work.

Bank Chat

Imperial Bank of Canada announces the following staff changes:

P. E. TOMLINSON, formerly attached to head office staff, has been appointed manager, New Toronto, Ontario.

F. B. PORTEOUS, manager, Verwood, Sask., is being appointed manager of Halbrite, Sask.

H. E. BEMROSE, formerly accountant at Yonge & Bloor Branch, Toronto, has been appointed accountant at King & Spadina Branch, Toronto.

G. C. RUNDLE, formerly accountant at King & Spadina Branch, Toronto, has been appointed accountant, Yonge & Bloor Branch, Toronto.

J. HODGAN, formerly accountant at Athabasco, Alta., has been appointed accountant at Saskatoon, Sask.

L. A. LANGAN, formerly of Balgonie, Sask., has been appointed accountant at Athabasco, Alta.

J. B. Schmor, formerly of New Norway, Alta., has been appointed accountant-in-charge at Hepburn, Sask.

The Royal Bank of Canada announce that extensive improvements and alterations have recently been carried out to their Fort William branch. The entire front has been reconstructed and part of the adjoining building, which is owned by the bank, has been added to the branch quarters, thus considerably increasing accommodation. The public space also has been enlarged and the interior brought in keeping with modern banking practice and requiremnets.

BANKING CAUTION BENEFIT TO ALL

Bank Policies Must Consider Depositors' Interests

The need for caution in the loaning policy of Canadian banks was stressed recently by S. H. Curran, manager of the Yorkton branch of the Canadian Bank of Commerce. Replying to a speech of Geo. W. McPhee, K.C., M.P., of the banking committee of the House of Commons at Yorkton, Sask., Mr. Curran stated that the impression appears to prevail in the mind of the average man that the banks have unlimited riches and are owned by a few millionaires. He pointed out that Canadian banks are owned by thousands of people in all walks of life, and that the paid-up capital is only a small fraction of the assets of the banks. The funds, or working capital, is supplied by hundreds of thousands of depositors, who would be the chief sufferers if banks were forced to pursue an unwise loan policy.

In this regard Mr. Curran said:

"There have only been two small failures in the past twenty years. I would hate to say how many failures there have been in the United States in that period but in the first seven months of 1931 there were over seven hundred. As I said before, I am not making any attempt to defend the policies pursued by our banks but I think what I have said is well worth thinking about; namely, that the banks are owned by thousands of people, are the custodians of the savings of hundreds of thousands and the first principle is safety, and that when some demagogue comes along and advocates cancellation of interest, wholesale reductions in debts and all that sort of thing he is simply advocating something that would drive any bank to the wall, and leave thousands of depositors wailing for their lost savings which had been sunk in bad debts."

Has Successful Season

The Algonquin Sea Food Products Company, which started operations in St. Andrews last spring, has had a successful season and will likely have to enlarge its plant shortly. All fish taken in by this concern are cleaned and frozen immediately and put in cold storage.

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A MUTUAL COMPANY

Canadian Pulp and Paper Industry

CANADA POWER DATE OF DEPOSIT FINALLY EXPIRES

Plans of New Company Move Steadily Forward

MONTREAL.—Plans of the Securities Protective Committee are moving forward to completion. The date for deposit of securities, extended on no less than three occasions, finally expired on October 10. There will be no further extensions, for on October 19 the first meeting of shareholders will be held to give approval to plans of reorganization.

With the close of business on October 10 transfer agents of Canada Power and Paper, Belgo-Canadian Paper, Port Alfred Pulp and Paper, and St. Maurice Valley Corp. close their transfer books for 30 days. Canada Power and Paper shareholders meet on October 19, the first of the meetings of the various classes of security holders.

Other Meetings Follow

Other meetings will follow in rapid succession and by November 6, the date of the last meeting, indications are that all security holders will have given approval to the plans of Consolidated Paper Corp. Directors have already signified their consent to the plan; the substantial deposits of securities with the Protective Committee eliminates the possibility of any hitch in proceedings, for all deposited securities will be voted by the committee at the forthcoming meetings.

Preferred shareholders of Belgo-Canadian Paper Co. who took some steps to seek a change in the original award made to them are not likely to press their claim further. A committee appointed by them to investigate the award has stated that it is unwilling to accept any responsibility in carrying the matter further for it sees litigation ahead and appreciates the fact that such proceedings might be costly. Shareholders were left to decide for themselves whether they were willing to go ahead with their claim; as yet they have taken no steps to carry on.

It may be expected therefore that Consolidated Paper will issue its securities in the comparatively near future; those who have deposited their bonds or shares have received a deposit certificate in the meantime. Final figures regarding deposits are not available at the moment, it may be certain that the last few days prior to the expiry date brought a large volume of the small percentage of bonds and stocks which were outstanding.

BLAME RED WORKERS FOR ESTEVAN STRIKE

Work Resumed Now While Commission Studies Grievances

From Our Own Correspondent

REGINA.—Southern Saskatchewan is greatly relieved over the discontinuance of the coal strike, which tied up the Estevan coal fields for four weeks, while an investigation is conducted by a Royal commission. Dropping the issue of recognition of the Mine Workers' Union of Canada, which had previously been demanded, and which the operators refused because of the allegation of communist affiliations, the men agreed that employees committees from each mine should be the channel of communication between workers and operators. They obtained some minor concessions with respect to mine drainage, and an agreement that any adjustments finally agreed upon as the result of the report of the Wylie Royal Commission should be dated back to the time of resumption of work. A clash between strikers and police in Estevan over an attempt to hold a forbidden parade had resulted in the death of three miners. Although attempts had been made to exploit this incident to work up new feeling, it seemed to have the opposite effect of cooling passions, particularly as it was followed by the disappearance of a number of organizers whom the police sought to arrest on charges of inciting to riot.

The attorney-general of Saskatchewan has issued a statement in explanation of the government's inability to prevent the strike situation from coming to a head. During the past summer, he says, after various attempts had failed to organize a union, which might be affiliated either with the Dominion Trades and Labor Congress or the All Canadian Congress, organizers of the Trades Union Unity League arrived in Estevan.

This organization, he says, is the official representative in North America of the Red Internationale of Labor Unions, and the new local which was formed appeared determined to put into effect the principles of the constitution of the latter, which he quotes as follows:

> "To carry on a wide agitation and propaganda of the principle of revolutionary class struggle, revolutionary mass action for overthrowing the capitalist system and to organize demonstrations each time when the situation demands."

In spite of the government's knowledge of the nature of the union they made attempts at settling the dispute, but leaders of the union refused requests to make known the demands of the men, which they would reveal only after the mine operators had been committed to recognition of the union.

Says U. S. Customs Service Slack at Canadian Ports

Allegations have recently been made before the Bureau of Customs at Washington that lower duties are being collected upon Canadian goods at border points of entry than is the case in New York and other seaboard cities, owing to cursory and less efficient customs inspection service.

The charge was made by a Baltimore customs broker in protesting against the granting of a broker's license to the Central Vermont Railroad Co. The hearing assumes the nature of a test case in that the technical ground for objection is that the articles of incorporation do not empower the company to act as customs brokers. Thus, if the objection is upheld, the licenses of various other railroads to act as brokers may be jeopardized.

Saskatchewan Poultry Thrives

According to the latest figures Saskatchewan ranks second only to Ontario as a poultry province with an estimated production last year of 30,000,000 dozen eggs. The value of all poultry products to the farmers in 1930 is estimated by provincial authorities at $30,000,000.

Output 6,500,000 Tons Woodpulp by 1942 Forecast by Authority

Canada Can Reach This Mark Provided Growth of 1913-1929 Continued, Says Dr. Charles W. Boyce

FIVEFOLD INCREASE IN LAST 17 YEARS

Secretary of American Paper and Pulp Association Prepares Exhaustive Treatise Dealing With Problems and Prospects of Canadian Industry in Years Ahead

Where will Canada stand among the world's wood pulp producers in 1942? It is the opinion of Dr. Charles W. Boyce, of the American Paper and Pulp Association, who is recognized as a world authority on wood pulp, that if the rate of increase of production in Canada between 1913-1929 is maintained to 1942, the total production will be increased to approximately 6,500,000 tons, or 1,500,000 tons less than the 8,000,000 tons potential production.

In so far as it is possible to determine the rate of operations as related to production capacities, the 1913 and 1929 records of actual output approached normal output with their comparabilities. If the possible production in 1942 is computed on the basis of these records, a world total of 26,500,000 installed tons is determined. Although this figure is purely speculative, the chances are that it will not be far wrong. Projecting the production in each of the major producing countries to 1942 in the same manner is open, of course, to serious question, for the world trend is obviously more likely to hold to its course than that of any one country. Regardless of the inaccuracy, however, such projection summarized in the table appearing with this article, affords interesting comparisons; they serve also to emphasize the upward incline of the various country trends. In order that the unprecedented increases of the past decade may be more clearly visualized, the country projections to 1942 have been made on the former basis and are shown also.

Provides Sound Analysis

In a survey of the wood pulp industry of the world, its past record and its future possibilities, Dr. Boyce has devoted exhaustive attention to the Canadian pulp industry. At this period, his comments are particularly opportune and valuable and are reprinted hereunder in full, in so far as Canada is concerned:

Between 1913 and 1929 pulp production in Canada increased nearly five times, jumping from 855,000 tons to 4,021,000 tons. In 1930 the preliminary estimates indicate a decrease in production of 819,000 tons. The upward trend of production shows no setback in the period with the exception of 1921 and 1930.

The Canadian industry has centralized in the manufacture of mechanical pulp. Of the 1929 total, 2,421,000 tons of mechanical pulp were produced; the balance was chemical pulp of which 590,000 tons were exported. The 1929 export of mechanical pulp amounted to 209,000 tons of which 87 per cent was shipped across the international boundary to American mills. The residue of both mechanical and chemical pulp was used in Canada chiefly in the production of newsprint paper. Some chemical pulp was used also in the production of paper to meet the domestic requirements in grades other than newsprint.

Canada Leads World

With its 1929 production of 2,725,000 tons of newsprint, Canada leads all other countries. The Canadian industry has attained this position by intense concentration upon the manufacture of this grade of paper. It is produced mainly for export, most of it entering the United States markets. The resources of Canada are admirably suited to the production of newsprint. Extensive stands of spruce and fir are easily accessible to manufacturing sites that are supplied amply with low cost hydro-electric power. With these production advantages and with the world's greatest market situated next door, the Canadian national and company policy has been a wise one. But the intense centralization of national and private effort has over-reached the consumption requirements of the newsprint using countries. The 800,000 tons decrease in pulp production in 1930 is ample evidence of this condition.

Competition in Exports

The production of unbleached, bleached sulphite and sulphate pulps amounted in 1929 to 912,000 tons, 325,000 tons and 250,000 tons, respectively. The large production of unbleached sulphite pulp is, of course, used chiefly in the domestic manufacture of newsprint paper. Relatively large quantities, however, are exported, chiefly to the United States, the total export amounting to 202,000 tons in 1929. In its exports the Canadian industry has met serious competition from the northern European countries both in unbleached pulp itself and in the substituting sulphate pulp. As a result Canadian exports have decreased since 1926 to a level of about 200,000 tons a year.

In bleached sulphite, however, the Canadian industry has increased production rapidly to meet the greater export demands. Again this demand has centred in the United States which took 77 per cent of the 1929 export. Despite the fact that the rate of increase in both production and export broke in 1929, the Canadian suppliers of bleached sulphite to the United States alone have had increased business in recent years. In view of the price decreases, greater production in the United States and augmented production facilities in Europe, considerable doubt exists, however, as to the ability of producers to continue the trends of the past. The break in the records of 1929, when all other bleached sulphite pulp producing countries reached new high peaks, justifies this doubt.

Sulphate Producers Affected

The production of sulphate pulp has reached a current level of approximately 250,000 tons a year. The leveling out of this curve is undoubtedly related to the decrease since 1928 in the exports to the United States; Canadian producers have felt the competition of producers in southern United States.

Outlook is Excellent

In so far as northern forests can compete in producing the world's pulp requirements, the outlook for pulp production in Canada is excellent. Canada has an estimated stand of softwood timber of approximately 800,000,000 cords. A little more than one-half is located in the eastern provinces, much of it being already under control of pulp and paper producing companies. In the prairie provinces the estimated stand of small material amounts to 275,000,000 cords and an additional 47,000,000 cords are in British Columbia.

Moreover, Canada possesses an estimated stand of softwood saw-timber amounting to 383,000,000 M. board feet in addition, over 80 per cent of which, however, is located in British Columbia. Furthermore, there is a saw-timber stand of 42,000,000 M. board feet of hardwood timber in addition to 323,000,000 cords of hardwood cord wood.

Most of the softwood timber in the eastern and prairie provinces is spruce and balsam fir. In northwestern Quebec and in Ontario, there are extensive jack pine areas but the jack pine stand forms a small proportion of the total softwoods. The bulk of the eastern softwoods as indicated by the relative figures for small material and saw-timber, is better adapted to the pulp and paper industry than to other types of utilization. Furrowed by rivers which for a large proportion of eastern Canadian draining southward are admirably suited to river driving, the means of utilization are excellent. In fact, they are equal to or better than those in any other northern country.

Can Increase Exports

Under the pressure of increased demand, Canada can increase substantially its exportable surplus of woodpulp. Not all, however, could be manufactured at present costs, for expansion would necessarily demand timber not now being used. Most of the unallotted timber in Canada is relatively inaccessible to present means of transportation and for that reason more expensive to utilize. In fact, many competent authorities point out that wood costs must necessarily increase in Canada. Heretofore, the industry has used the most accessible and best timber. The existing mills are reaching farther away for their annual requirements and to stands that are less dense.

Survey Timber Resources

Although the unlicensed lands in the eastern provinces are estimated to carry a relatively large proportion of the total pulpwood resource much of it lies on the northern slopes. Its utilization under present conditions does not justify the necessary railroad construction, and other now known resources are not enough or in sufficient demand to support immediate exploitation.

A vast original pulpwood stand in the prairie provinces has been so ravaged by the fires of the past century that the present merchantability of the total is tremendously reduced. The 275,000,000 cord estimate is probably a top figure; it is far in excess of the stand that could compete except under much more favorable conditions than those of the present.

The possibilities of future expansion of the pulp and paper industry in British Columbia depends largely upon the utilization of western hemlock. Spruce does not comprise a large percentage of coastal forests of southern British Columbia. North of Vancouver Island, however, it averages between 15 and 20 per cent of the total. Hemlock, on the other hand, occurs extensively in all forest types along the coast and could be utilized in the manufacture of pulp in connection with lumber production. How much pulp production can be expanded in British Columbia depends largely upon the future course of the lumber industry and its relationship with pulp production, both using hemlock.

Two Determinations of Possible Woodpulp Production by Countries in 1942 Compared With Production in 1929

Based on 1913-1929 and 1920-1929 Rates of Increase, Character of Production Assumed Continuously Constant

(Quantities in Short Tons)

	1929 Actual Output	Based on 1913-1929 Rate of Increase	Based on 1920-1929 Rate of Increase
World	18,924,000	26,500,000	60,000,000
Austria	368,000	470,000	940,000
Canada	4,021,000	6,430,000	12,250,000
Czechoslovakia	322,000	475,000	910,000
Finland	1,058,000	1,620,000	5,500,000
Germany	2,201,000	2,600,000	6,000,000
Japan	698,000	1,160,000	3,000,000
Norway	1,035,000	1,330,000	2,600,000
Sweden	2,740,000	3,820,000	9,100,000
United States	4,863,000	6,365,000	14,000,000
Other nations	1,628,000	2,230,000	5,200,000

Woodpulp Production

1913, 1920, 1929 and 1942 Percentages of Apparent World Totals

	1913	1920	1929	1942
World	100.0	100.0	100.0	100.0
Austria	2.4	1.0	1.8	1.5
Canada	9.5	19.2	21.2	20.4
Czechoslovakia	1.4	1.4	1.7	1.5
Finland	3.7	3.5	5.6	9.2
Germany	18.6	9.1	11.6	10.0
Japan	.9	2.9	3.7	5.0
Norway	7.1	6.6	5.5	4.3
Sweden	14.6	14.0	14.5	15.2
U. S.	32.3	37.5	25.7	23.3
Other nations	9.5	4.8	8.7	9.6

Potential Capacity Great

There are many conflicting opinions concerning the potential woodpulp production in Canada. The present figure in excess of 4,000,000 tons is claimed by some to be actually more than can be continuously supported. Such a view overemphasizes computations based upon incomplete data. A recent study of the holdings of the more important companies and of the unallotted lands, however, has brought to light possibilities of company expansions and of new ventures that total a potential of about 8,000,000 tons a year. Such a production involves some shifting from lumber to pulp production, and the use within Canada of the pulpwood that would otherwise be exported.

Rapid increase to this output would necessitate some over-cutting but this is feasible in many parts of Canada because of the relatively large areas of old burns that are now partially grown. With the continued efficiency of fire protection, the partially grown pulpwood resources of Canada form a reserve that will compensate in the future for many of the shortcomings of past management.

Only Holding Position

Canada alone was able to increase its exports materially during the war period. But in the post-war period Canada has been little more than able to maintain the position established in 1920. In fact the 1930 figure is nearly 100,000 tons less than the 1920 record. Sweden, Finland and Germany, however, have established remarkable increases in the last decade. Of these the 1930 totals for Sweden and Finland are much in excess of 1913 tonnages and the German trend now approximately 100,000 tons above the 1931 figure, has risen bravely from the depths of war prostration. Norwegian exports, on the other hand, have increased but 100,000 tons more than the 1913 level. Austria reached a new level at 120,000 tons in 1925, which has been steadily maintained. Taken as a whole, the world export mounted steadily between 1920 and 1930, gaining 2,000,000 tons in the ten-year period. In the approximate ratio of 2 to 1, the gain was chiefly supplied by Sweden and Finland.

Mill Closing Possible

Much expansion of pulp exports at the expense of newsprint is not likely, because of the heavy overhead investments in papermaking facilities which would not then be needed. Despite this fact, however, there are some possibilities in the case of high cost mills which may be forced into disuse by economic conditions. Furthermore, some newsprint companies could produce pulp in excess of their requirements in an attempt to increase total returns under pressure of meeting financial obligations. On the other hand, mechanical or unbleached sulphite pulp which could naturally be produced, have not maintained their export levels.

Stick to Newsprint

As the leading newsprint paper producer in the world, Canada is more likely to continue in newsprint than to shift to other types of paper, at least, so long as the production of newsprint requires spruce and fir. The United States market and to a constantly increasing extent, other world markets, must look to Canada for supplies. If, however, means of using lower cost woods than spruce or other materials enter into the manufacture of the world's newsprint supply, production would naturally shift toward higher grade producers. Yet such products are restricted by tariffs in their international movements. The shift, therefore, would tend to be at first at least, only into high-grade pulps. With the extensive stands of spruce and fir used primarily to support the manufacture of high-grade pulp, Canada could easily supply the world's requirements at the present time.

Not Serious Competitor

As it is now organized, the Canadian industry is not in position to compete seriously in the world's woodpulp markets. Too much of its pulp production is a by-product of the newsprint industry and for that reason confined to unbleached sulphite pulp. This grade of pulp, as will be brought out later, is meeting intensive competition from sulphate pulp in most of its uses other than for newsprint and from new production in many of the consuming countries of the world. Canada's best opportunity in world competition seems to lie in bleached sulphite but even here market outlets are being narrowed by the rapidly growing production in the United States, the world's largest bleached sulphite, market and Canada's chief producer. If Canadian production can compete in processing costs with those of northern Europe and western United States, however, it can supply a large marketing territory in the interior United States with a large advantage in freight differentials.

The production of sulphate pulp in Canada is not advantageously situated except in manufacturing high-grade pulp. For the time being, at least, Canada does not possess cheap enough wood for extensive competition in the world's sulphate pulp markets. Sulphate pulp, as indeed are other kinds of pulp also, is tending more and more to become associated with lumber production, making use of materials that would otherwise be wasted.

Spruce Pulpwood Essential

Canada's immediate past in the world pulp industry is obviously bound up with the future of spruce pulpwood in the production of coarse papers. Possessing a production potential of about 8,000,000 tons of pulp, chiefly of the kinds that spruce alone will permit. Canada's ultimate place in the industry is more secure, for substitution in bleached sulphite is less likely than in other products. The American use of bleached sulphite is already 19 pounds per capita. A world consumption of the same intensity would demand at least 20,000,000 tons. Canada's importance in supplying this amount is obviously great. But in the meanwhile Canada is chiefly organized for the production of lower grade products; its position in this field depends upon its ability to compete. The competition centres in wood costs.

FIFTEEN PER CENT OF PEOPLE WORK FOR GOVERNMENT

(Continued from page 6)

peting jurisdictional claims on personal incomes.

Should Tax But Once

Generally speaking it seems a sound principle that physical property should be taxed only where it is, that evidences of property rights should not be treated as property at all, and that incomes should be taxed where the person is domiciled.

I shall just mention the three chief remedial lines for such evils as exist:

(a) Constant vigilance in maintaining a scientific tax system.

(b) Careful demarcation of the fields of taxation between national, provincial and municipal authorities.

(c) Steady extension and improvement of reciprocal agreements and international treaties.

Heavy Taxes Retard Progress of Country

By A. C. CHRYSLER,
Board of Trade of Toronto.

Those of us interested in taxation matters realize that heavy taxes impose most unfortunate burdens on any country which retard rapid economic progress. We all look to the time when taxation burdens will become lighter. It is of course granted that national and provincial financial obligations must be met in their letter and spirit, that necessary government services must be carried on and that unfortunate destitute citizens, victims of the current depression, must be assured the necessities of life. Other than this, however, the trend of events would seem to indicate a great necessity of government economy and the closest scrutiny of all budget items on which expenditure can be lightened or reduced.

"Pay-as-You-Go" Plan Would Effect Savings

By GEORGE WILSON,
Commissioner of Finance, Toronto.

In eras of business prosperity — one of which the world enjoyed prior to the economic debacle of two years ago—individual and public expenditures are often recklessly made without regard for the inevitable day of reckoning. It is only with the arrival of evil days of slackened business and shrunken private and public revenues that profligacy of expenditures in the past and the necessity for retrenchment in the future are painfully realized.

The "Pay-as-you-go" system, as the name implies, is the substitution of cash for credit — and it needs no elaborate elucidation to prove that the adoption of the system in any municipality as far as may be consistent, without impairment of the public services, will in the end effect astonishing savings.

In cities or towns which have steady growth of population year by year, additional capital outlays for schools, fire halls, police statios, parks, etc., are unavoidable if the installation of such services is to keep fair pace with the growth of the population, and if the annual cost of such necessary capital expenditures remains fairly level in each succeeding year, present and future generations would effect enormous savings of interest payments by adopting the "Pay-as-you-go" plan as far as it is possible to do so.

Any slight increase in the rate of taxation involved in the adoption of a modified "pay-as-you-go" system would be borne cheerfully by the taxpayers in the knowledge that the economies effected would ultimately result in a stabilized tax rate and consistently balanced capital budgets.

Control Through Statistics Will Curb Expenditures

By W. L. McKINNON,
Investment Banker, Toronto.

Public expenditures are controlled by men and women who are very human. Their actions are determined by motives of one sort or another. Some have motives which are wholesome and good and others have motives not so good. Some of the men in control of public expenditures are very intelligent and others are quite the reverse. Some men are very dominating and lord it over others who may have a keener insight into their work and a higher desire for the good of the people they serve. The human element looms large in public affairs and it never can be eliminated where the control of public expenditures is concerned. There is a great deal of bungling along with good management. Most of the time honor is high among public officials. Occasionally it is not. It is amazing how sensible democracy is on the whole and yet sometimes blunders are made by the elected representatives of the people which are so costly that generations yet to come must pay for the mistakes year by year.

Statistics have their place in the control of public expenditures but they must first reach the minds (and the hearts too) of those men and women who think and feel and make decisions in their capacity of public servants. Some public officials seem to hate statistics. They pay little heed to them and they decide almost everything by what the call the "common sense" of the matter. They are largely moved by their feelings and by what their friends say. They absorb ideas from many sources and they are very much influenced by their friends or enemies, without being conscious of the fact. It is unfortunate that all this is true and the very fact that it is true brings out the idea that there should be some higher authority than the municipality whose duty it is to control public expenditures if the municipality fails to do so through the neglect or ignorance or carelessness of their officials or through any other cause.

Ask Review of Ontario Tax on Capital Stock

Resolutions Passed by Tax Conference

Resolved, That this convention of the Canadian Tax Conference reaffirm the belief of the conference in the necessity of further co-operation between the federal, provincial and municipal government in working out a national system of taxation (1) by the delimination of the fields of taxation, (2) by the co-ordination of the tax collection staffs for the purpose of cutting down overhead, both in the cost to the Governments of the collection of taxes and the cost to the taxpayer of preparing returns (3) and by such other means as may be found feasible.

Whereas the tax imposed by the Ontario Corporation Tax Amendment Act of 1931 on the paid-up capital stock of incorporated companies, including goodwill, reserves, etc., is to say the least of doubtful fairness and practicability; be it resolved that the Government be respectfully asked to review the legislation carefully in the light of experience with a view to its possible amendment or repeal;

That, in view of the very large proportion of public expenditures caused by payments for salaries and wages and for services and supplies required by governmental operations, continuous and vigorous efforts be made to bring about more effective organization of personnel and of purchasing.

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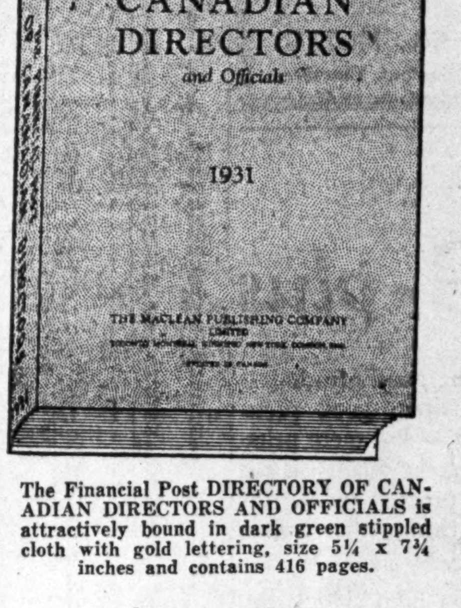
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Range 1931 High	Range 1931 Low	Divd. Rate in $	Yield in % Oct. 10		Sales	Close Oct. 5 (or last)	Week Ending —Oct. 12— High	Low	Close
13¾	2½	.	...	Abitibi, c.	580	3	3⅜	2½	3¼
50	12	.	...	Do. pref.	....	12	..	..	..
105	80	7	8.7	Do. pref.	....	80½	..	..	..
8	5½	.	...	Agnew Surp. c.	....	7½	..	..	..
88	83	7	8.4	Do. pref.	....	83	..	..	..
6½	2½	.	...	Alta. Pac. Gr.	....	2½	..	..	..
30	10½	.	...	Do. pref.	....	16	..	..	..
4	3	.	...	Amal. Electric	....	3	..	..	..
18	10	.	...	Do. pref.	....	10	..	..	..
3½	2½	25c	...	Anglo N. Hold.	....	3½	..	..	..
.50	.25	.	...	Asbestos	....	.25	..	..	..
2	½	.	...	Do. pref.	....	½	..	..	..
9	5	60c	12	Assoc. Brew.	....	5	..	..	..
70½	67	7	9.9	Do. pref.	....	70	..	..	..
10	4	.	...	Assoc. Can.	....	4	..	..	..
69	65	4+50	..	Assoc. Tele.	....	66	..	..	..
37¼	12¾	.	...	Atlan. Sugar	5	22½	22½	22½	22½
105	79¾	.	...	Do. pref.	....	91½	..	..	..
175½	158½	10	6.1	Bk. Can. Nat.	11	164¾	164¾	164¾	164¾
303	235	12	5.1	Bk. Montreal	54	235	235	235	235
326	284	16	5.6	Bk. N. Scotia	2	284	284	284	284
238	213	12	5.6	Bk. of Toronto	....	213	..	..	..
24	8½	.	...	Barcelona Tr.	....	15	..	..	..
5½	3½	.	...	Bathurst Pr.	....	3½	..	..	..
5	2	.	...	Do. (B)	....	2¼	..	..	..
x26	26	.	...	Bawlf Grain	....	..	..	..	..
25	20	.	...	Do. pref.	....	20	..	..	..
12	6	.	...	Beath & Sons	....	6	..	..	..
20	10	2	19.5	Beatty Bros.	15	10¼	10¼	10¼	10¼
80	60	6	9.4	Do. pref.	....	63½	..	..	..
8½	3	.	...	Beauharnois	110	3½	3½	3½	3½
93	85	7	8.2	Belding Cort.	....	85	..	..	..
100	90	7	7.8	D . pref.	....	90	..	..	..
55	10	.	...	Belgo C.P. pf.	....	10	..	..	..
151⅞	121	8	6.6	Bell Telephone	1012	121	122	121	121¼
4½	3	.	...	Biltmore Hats	....	3	..	..	..
65	60	7	...	Do. pref.	....	65	..	..	..
x22	14	.	...	Bissell	....	..	..	..	..
x97	88	.	...	Do. pref.	....	..	..	..	..
20	12	2	12.5	Blue Ribbon	5	16	16	16	16
39½	30	3.25	9.3	Do. pref.	20	35	35	35	35
22½	14	2	11.4	Brant. Cd. pf.	....	17½	..	..	..
28½	7⅛	25c	...	Brazilian Tr.	44914	8¼	11	8	10
x2	⅞	.	...	Brew. & Distil.	....	..	..	..	..
16½	7⅝	80c	8.6	Brit. Amer. Oil	17060	8	9¼	7⅝	9¼
3½	½	.	...	B.C. Packers	....	1¼	..	..	..
22	5	.	...	Do. pref.	....	5½	..	..	..
42½	26	2	7.7	B.. Power	459	26	26	26	26
18	7	.	...	Do. (B)	50	8	8	8	8
2	1	.	...	B.E. Steel	....	1⅛	..	..	..
21	18½	.	...	Do. 1st pref.	....	18½	..	..	..
3½	1⅝	.	...	Do. 2nd pref.	....	2¾	..	..	..
8	4½	.	...	Bruck S. Mills	10	7	4½	4½	4½
26	16⅞	2	9.7	Building Prod.	....	20½	..	..	..
44½	29½	3	9.4	Burt, F. N.	15	31¾	31¾	31¾	31¾
146	137	6	4.4	Calgary Pr.	....	137	..	..	..
7⅞	3½	.	...	Can. Bread	....	4	..	..	..
100	87	7	7.4	Do. pref. (A)	....	95	..	..	..
80	55	7	...	Do. pref. (B)	....	63	..	..	..
13½	8¾	1	10	Canada Bud.	100	10	10	10	10
18⅝	5	.	...	Can. Cement	3602	5	6⅛	5	5½
96½	63	6.50	9.8	Do. pref.	330	65¼	69	65½	69
b45	14	3	15	Canada Dry	13500	14	20	14⅝	19¼
12	10	.	...	Can. Forg. (A)	....	10	..	..	..
x16	5	.	...	Do. (B)	....	..	..	..	..
68	66	3	4.5	Canada Iron	....	66	..	..	..
76	60	6	10	Do. pref.	....	60	..	..	..
650	630	20	3.2	Canada Life	....	630..	..	..	..
16½	10¾	1.50	12.6	Can. Malting	205	12	11⅞	11⅞	11⅞
25½	15	80c	4.1	Can. Nor. Pr.	....	19½	..	..	..
107	104	7	6.6	Do. pref.	....	106	..	..	..
6	½	.	...	Can. Paving	....	½	..	..	..
51	10½	.	...	Do. pref.	....	10½	..	..	..
216	190	12	6.3	Can. Perman.	8	190	190	190	190
4½	½	.	...	Can. Pr. & Pa.	45	½	½	½	½
9	3	.	...	Can. Steamsh's	105	3⅛	3⅛	3⅛	3⅛
27	8	.	...	Do. pref.	25	8	9	9	9
20	14½	1.60	10	Can. Vinegar	90	16	16	16	16
70	54½	4	6.5	Can. W. Cable	300	61	61½	61	61
30½	20	1.75	8.4	Do. (B)	1001	20¾	20¾	20¾	20¾
16	9½	.	...	Can. Bakeries	....	9¾	..	..	..
35	31	4	12.9	Do. pref.	....	31	..	..	..
232	196	12	6.1	Can. Bk. Com.	21	196	196	196	196
36½	19	2.50	13.2	Can. Bronze	316	19	19	19	19
110	102	7	6.9	Do. pref.	....	102	..	..	..
13½	8	50c	5.9	Can. Canners	....	8½	..	..	..
92¼	81	6	7.4	Do. 1st pref.	20	81	81	81	81
14	8⅝	80c	8.2	Do. 2nd. pref.	125	9¾	9¾	9¾	9¾
19	4⅞	1.75	28	Can. Car. & Fy	2338	6¼	6⅝	6¼	6¼
25¼	14¾	1.75	11.8	Do. pref.	1135	14¾	14¾	14¾	14¾
14½	6	.	...	Can. Celanese	....	6	..	..	..
73½	59	7	10.8	Do. pref.	....	65	..	..	..
58	30	4	13.3	Can. Convert.	....	30	..	..	..
x50	45	.	...	Can. Cottons	....	..	..	..	..
55	49	6	12.2	Do. pref.	....	49	..	..	..
36½	23¾	3	12	Can. Dredge	90	26	25	25	25
92	92	7	7.6	Do. pref.	....	92	..	..	..
81⅜	79	6	7.5	Can. Fairb. pf.	....	80	..	..	..
6	5¾	.	...	Can. For. Inv.	....	6	..	..	..
80	70	8	10.4	Do. pref.	5	77	77	77	77
300	200	4	2	Can. Gen. Elec.	....	200	..	..	..
62½	59	3.50	5.7	Do. pref.	55	59	61¾	59	59
80	52	6	9.1	Can. Hyd. E. p.	11	66	66	66	66
5½	1½	.	...	Can. Ind. Alc.	125	1⅞	1⅞	1⅞	1⅞
3½	¾	.	...	Do. (B)	....	1	..	..	..
5.00	3.95	.	...	Can. Int. I. Tr.	....	3.95	..	..	..
70	64½	5	7.7	Do. pref.	....	65	..	..	..
42	15	1	...	Can. Lt. & Pr.	....	25	..	..	..
18	18	.	...	Can. Locomo.	....	18	..	..	..
25	10	.	...	Do. pref.	....	10	..	..	..
b4½	1⅛	.	...	Can. Marconi	7200	1⅛	1⅝	1⅛	1⅝
23½	9	1	10	Canadian Oil	10	10	10	10	10
120	95½	8	8.4	Do. pref.	....	95½	..	..	..
45½	12¼	1.25	..	Can. Pacific	9957	14	17	12¼	16½
6½	5	.	...	C. Pr. & Pa. In.	....	5	..	..	..
6½	2⅞	.	...	Can. Vickers	....	3	..	..	..
35	16	.	...	Do. pref.	....	20	..	..	..
6	2½	50c	15.4	Can. Wineries	5	3¼	3¼	3¼	3¼
16	6	1	12.1	Can. Wire Box	5	8¼	8¼	8¼	8¼
3	⅝	.	...	Carling Brew.	....	1½	..	..	..
12	12	.	...	Catelli Mac. A.	....	12	..	..	..
5	5	.	...	Do. (B)	....	5	..	..	..
301	290	12+3	5	Cent. Can. L'n	....	300	..	..	..
5.35	1.50	.	...	Chem. Research	315	2.00	2.25	2.25	2.25
64	57	2	...	City Dairy	....	..	..	..	..
x155	120	7	...	Do. pref.	....	..	..	..	..
20.25	7.00	30c(c)	..	Cities Service	280	7.00	8.05	7.00	8.05
10	3	.	...	Cockshutt Plow	1132	4	4½	3½	4
9	3	.	...	Comm. Alcohol	....	4	..	..	..
9	4	.	...	Conduits	....	4	..	..	..
94	84	7	7.8	Do. pref.	....	90	..	..	..
12⅞	7½	1	12.1	Cons. Bakeries	195	8¼	8¼	8¼	8¼
3	½	.	...	Cons. Food Pr.	....	¾	..	..	..
6	3	.	...	Do. (A)	....	3	..	..	..
18⅞	9	80+20c	11.1	Cons. Indust.	55	9	9	9	9
31	23	2	8.3	Cons. Press	....	23	..	..	..
80	62	7	10	Cons. Sand, pf.	....	70	..	..	..
188½	64	2.50†	3.84	Cons. Smelters	254	65	65	65	65
186	180¾	10	5.5	Consumers Gas	2	181½	181½	181½	181½
x35	30	.	...	Cooksville Co.	....	..	..	..	..
x85	85	4	...	Do. pref.	....	..	..	..	..
20½	15	.	...	Corporate Steel	....	15	..	..	..
x90	90	.	...	Corr. P. Box, p	....	..	..	..	..
3	1	.	...	Cosgrave Br.	385	2⅝	3	2½	2⅝
9	5	.	...	Cosmos Imp.	....	7	..	..	..
93	65	7	10.3	Do. pref.	....	68	..	..	..
6½	2	.	...	Crown Dom. Oil	25	3	3	3	3
15	8½	3	...	Crow's N. Coal	....	10⅛	..	..	..
5	3	.	...	David & Fre. B	....	3	..	..	..
12½	12½	.	...	De Havilland	....	12½	..	..	..
9	9	.	...	Disher Steel	....	9	..	..	..
x18	17	1.50	...	Do. pref.	....	..	..	..	..
12⅞	6⅞	1	14.3	Distill-Seagram	350	7	7	7	7
223	204	12	5.9	Dominion Bank	2	204	204	204	204
55¾	27	3	11.1	Dom. Bridge	685	27	27	27	27
40	40	.	...	Dom. Coal	....	40	..	..	..
50	15	.	...	Dom. Engineer.	10	18	18	18	18
x14	10	.	...	Dom. Found.	....	..	..	..	..
126	82	7	8.5	Dom. Glass	50	82	82	82	82
125	119	7	5.8	Do. pref.	....	120	..	..	..
20	20	.	...	Dom. Iron, pf.	....	20	..	..	..
11¾	3½	40c	10	Dom. Motors	10	4	4	4	4
14	10	.	...	Dom. Pr. Stubs.	....	13	..	..	..
24	24	.	...	Dom. Steel, pf.	....	24	..	..	..
8½	2	.	...	Dom. St. & C.B.	135	2	2	2	2
24¼	13½	1.20	6.7	Dom. Stores	5476	15	17⅞	13½	17½
14	5	.	...	Dom. Tar & Ch.	....	5¾	..	..	..
93	79½	6.50	8.2	Do. pref.	....	79½	..	..	..
83	63	5	7.9	Dom. Textile	24	63¾	63¼	63¼	63¼
123	120	7	5.8	Do. pref.	....	120	..	..	..
12	10	.	...	Donnacona	....	10	..	..	..
7	2½	.	...	Dryden Paper	....	3	..	..	..
7½	3	.	...	Duff. Paving	....	6	..	..	..
80	68	7	10.3	Do. pref.	....	68	..	..	..
25½	16	1	5	East. Dairies	60	20	20	20	20
20	16	1+1	...	East. Steel	....	16	..	..	..
100	97	7	7.1	Do. pref.	....	98	..	..	..
16	16	.	...	East Koot. Pr.	....	16	..	..	..
97	94⅝	7	7.3	Do. pref.	....	96	..	..	..
x34	28½	2	...	East. Theatres	....	..	..	..	..
x85	80	7	...	Do. pref.	....	..	..	..	..
3¾	3¾	.	...	Easy Washer	....	3¾	..	..	..
37	34¾	1.75	4.7	Economic Inv.	....	37	..	..	..
15	15	.	...	Edmonton D'y	....	15	..	..	..
80	78⅝	6.50	8.3	Do. pref.	....	78⅝	..	..	..
8	5	.	...	Enam. & Heat.	....	5	..	..	..
40	28½	3	10.5	Eng. Electric	....	28½	..	..	..
16	5	.	...	Do. (B)	....	5	..	..	..
39½	16	2	11.1	Fam. Players	....	18	..	..	..
83½	18	2	11.1	Do. Vot. Tr.	....	18	..	..	..
18	9¾	1	9.7	Fanny Farmer	....	10½	..	..	..
34	28	2.40	7.3	Do. pref.	....	32½	..	..	..
x.25	.10	.	...	Federal Distil.	....	..	..	..	..
x83½	75	.	...	Firstbrook Box	....	..	..	..	..
29¼	10¼	1.20	8.8	Ford Motors A	5565	11½	13½	10¼	13½
15	5	.	...	For. Pr. Secs.	....	5	..	..	..
16½	8½	1	11.1	Foundation Co.	85	9¼	9	9	9
3	½	.	...	Fraser Cos.	225	1⅛	1⅛	1⅛	1⅛
25	25	.	...	Fron. Brew. pf.	....	25	..	..	..
8	5	.	...	Frost Steel	....	7	..	..	..
96½	85	7	8.2	Do. pref.	....	85	..	..	..
7¼	1⅛	.	...	Gen. St. Wares	295	1⅝	1½	1⅝	1½
119	70	5+2.50	8.8	Goodyear Tire	....	85	..	..	..
107⅞	94½	7	7	Do. pref.	....	99½	..	..	..
93½	93½	7	7.5	Gould Pumps p	....	93½	..	..	..
¾	½	.	...	Gt. W. Saddlery	....	½	..	..	..
8	6	.	...	Do. pref.	....	8	..	..	..
31	20	2	9.5	Gurd, Chas.	60	21	21	21	21
12⅞	5	40c	7.3	Gypsum, Lime	150	5	5½	5	5
20¼	6¾	.	...	Ham. Bridge	105	7	7	7	7
80	63	6.50	10	Do. pref.	40	65	65	64⅜	65
19	13	2	15.4	Ham. Cotton, p	35	13	13	13	13
4½	3	.	...	Ham. U. Theat	....	3	..	..	..
63	55	7	11.7	Do. pref.	....	60	..	..	..
12	4	.	...	Hayes Wheel	....	4	..	..	..
x95	80	.	...	Do. pref.	....	..	..	..	..
x50	50	.	...	Hillcrest Coll.	....	..	..	..	..
x91	91	.	...	Do. pref.	....	..	..	..	..
4	3½	.	...	Hinde & Dauch	....	3½	..	..	..
x120	120	.	...	Holt, Renfrew	....	..	..	..	..
x96½	90	7	...	Do. pref.	....	..	..	..	..
7	3	.	...	Honey Dew	....	3	..	..	..
59	50	7	13.5	Do. pref.	....	52	..	..	..
6	3	.	...	H. Smith Pap.	25	4	3	3	3
45½	30	.	...	Do. pref.	....	32	..	..	..
21½	15	2.40	11.4	Humberstone S	21	21	21	21	21
23½	17	1.40+50	10.5	Hunt (A)	....	18	..	..	..
23¼	18½	1.40+50	10.2	Do. (B)	....	18½	..	..	..
150	143	8	5.5	Huron & E. M.	....	145	..	..	..
29½	28	.	...	Do. 20% pd.	....	28	..	..	..
29⅞	13⅞	1.20	8.6	Hydro Electric	....	14	..	..	..
225	201	12	5.9	Imperial Bank	....	203	..	..	..
18¾	8¾	50+50c	9.1	Imperial Oil	25721	9¼	11	8¾	10¼
10½	8⅞	35+20c	6.2	Imperial Tob.	285	8⅞	8⅞	8⅞	8⅞
80	80	8	...	Intercol. Coal p	....	80	..	..	..
29	22	2a	...	Int. Hyd. E.(A)	....	22	..	..	..
103	92	7	7.5	Inter. Mill. pf.	....	93	..	..	..
80	80	6	7.5	Do. Series (A)	....	80	..	..	..
20½	8⅛	40c	4.10	Inter. Nickel	37506	8⅝	10¼	8⅛	9¾
10	5	.	...	Inter. Paints	....	5	..	..	..
b10½	1⅞	.	...	Int. Pa. & Pr.A	4100	2	2⅞	1⅞	2
b6	⅞	.	...	Do. (B)	300	⅞	1½	1½	1½
b4½	½	.	...	Do. (C)	2600	1	1⅝	1	1¼
b43½	9½	.	...	Do. pref.	2100	13½	12½	9½	12
15½	8½	1	9.1	Inter. Pete.	13092	8⅝	11⅜	8½	10¾
8	5	.	...	Inter. Power	....	5	..	..	..
73	56½	7	12.4	Do. pref.	....	56½	..	..	..
45	14½	3.50	19.4	Int. Util. (A)	251	24	18½	14½	18½
11	2⅞	.	...	Do. (B)	270	3¼	4	3¼	3½
40	40	1	2.5	Jam. Pub. Ser.	....	40	..	..	..
109	99¾	7	7	Do. pref.	....	99¾	..	..	..
5½	2½	.	...	Kelvinator	....	5	..	..	..
90⅛	73½	7	7.8	Do. pref.	....	90	..	..	..
x40	40	.	...	Kng. Ed. Hotel	....	..	..	..	..
24	5	.	...	Lake of Woods	30	6	6	5	6
101	82	7	8.5	Do. pref.	....	82	..	..	..
140	140	8	5.7	Landed Bank.	....	140	..	..	..
46	33	3	7.9	Laura Secord	....	38	..	..	..
16	8¾	1	10	Lindsay, C. W.	85	8¾	10	10	10
72½	65	6.50	9.7	Do. pref.	....	67	..	..	..
14¾	11	80c	6.9	Loblaw (A)	120	11½	11½	11½	11½
14¾	10	80c	7.6	Do. (B)	110	10½	10½	10½	10½
x2¾	2¾	.	...	Loew's, London	....	..	..	..	..
25	10	.	...	MacKin. Steel	....	20	..	..	..
95	90	7	7.7	Do. pref.	....	91	..	..	..
x36	20	.	...	Manitoba Pr.	....	..	..	..	..
8	6	.	...	Maple Leaf	....	6	..	..	..
40	10	.	...	Do. pref.	....	15	..	..	..
32	30	.	...	Marcus Loew's	....	30	..	..	..
71	70	7	9.8	Do. pref.	....	70	..	..	..
10½	2⅞	.	...	Massey-Harris	512	3	3¼	3	3
22½	9⅝	60c	6.1	McColl Fron.	290	9⅞	9⅞	9⅞	9⅞
80	69¾	6	7.9	Do. pref.	....	76	..	..	..
45	35	.	...	Mexican L. & P.	....	35	..	..	..
x25	25	.	...	Mercury Mills	....	..	..	..	..
x89	58½	.	...	Do. pref.	....	..	..	..	..
40½	40	1	2.5	Mitchell, J. S.	....	40	..	..	..
105	104	7	6.7	Do. pref.	....	105	..	..	..
20	8	1	12.5	Mitchell, Robt.	35	8	8	8	8
1	1	.	...	Monarch Knit.	....	1	..	..	..
38	38	.	...	Do., pref.	....	38	..	..	..
95½	83½	6	6.5	Montreal Cot.	....	92	..	..	..
102	98	7	7	Do. pref.	....	100	..	..	..
3½	2	.	...	Montreal Exhib.	....	2¾	..	..	..
20	14	.	...	Mont. Is. Pr.	....	14	..	..	..
68½	38	1.50	3.9	Mont. L. & Pr.	3708	38	38	38	38
49½	48	3+25	6.8	Montreal Loan	....	48	..	..	..
60	48	3.20	6.3	Montreal Tele.	....	51	..	..	..
177	155	10	6.4	Mont. Trams.	....	155	..	..	..
17¾	11½	1	8.5	Moore Corp., c.	2	11¾	11¾	11¾	11¾
108½	98	7	7	Do. (A)	....	100	..	..	..
126	103	7	6.8	Do. (B)	....	103	..	..	..
x10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
x49	49	1	...	Do. pref.	....	..	..	..	..
3½	2	10c	...	Muirheads	335	2	2	2	2
10	6	75c	7.9	Do. pref.	....	9½	..	..	..
35¾	23½	1.60	6.7	Nat. Brew.	7319	24	24	24	24
35	27	1.75	5.6	Do. pref.	4	31	31	31	31
x10	3	.	...	Nat. Brick	....	..	..	..	..
19	5	.	...	Do. pref.	....	5	..	..	..
.50	.25	.	...	Nat. Distiller.	....	.40	..	..	..
42	11½	2	16	Nat. Steel Car	115	12½	12½	12½	12½
360	250	14	5.6	National Trust	....	252	..	..	..
13	10¾	1.50	14.1	Niag. W. Weav.	....	10⅝	..	..	..
36	32	3	9.4	Do. pref.	....	32	..	..	..
6.00	2.00	.	...	North Star Oil	....	2.50	..	..	..
4.95	4.50	35c	7.4	Do. pref.	....	4.70	..	..	..
x25	22¼	.	...	N.S. Steel, pf.	....	..	..	..	..
285	125	8	5.9	Ogilvie Flour	....	135	..	..	..
130	116¾	7	6	Do. pref.	11	118	117	116¾	117
21	9½	60c	6.5	Ont. Eq. 10% p	....	9¼	..	..	..
120	113	6	5.1	Ontario Loan	....	117	..	..	..
7	5	.	...	Ont. Silknit	....	7	..	..	..
16	13	80c	6.1	Ont. Steel	....	13	..	..	..
x105	105	7	...	Do. pref.	....	..	..	..	..
1¼	¾	.	...	Orange Crush	....	¾	..	..	..
60	50	7	13.7	Do. (A)	....	51	..	..	..
5½	2½	.	...	Do. (B)	....	3	..	..	..
110	90	6	5.7	Ott. L. H. & Pr	....	105	..	..	..
105½	102	6.50	6.3	Do. pref.	10	103¼	103	103	103
25	25	.	...	Ott. Traction	....	25	..	..	..
92⅞	68	5	7.2	Page Hersey	55	69½	69½	69½	69½
49	21½	2.50	11.6	Paramount	....	21½	..	..	..
35	30	.	...	Paton Mfg.	....	30	..	..	..
94	82	7	7.4	Do. pref.	....	94	..	..	..
¼	¼	.	...	Pelissiers	....	¼	..	..	..
30	25	.	...	Do. pref.	....	30	..	..	..
73	31	4	12.1	Penmans	....	33	..	..	..
101	93	6	6.4	Do. pref.	....	93	..	..	..
.75	.50	.	...	Perfec. Glass	....	.50	..	..	..
29	18	2	8.9	Photo Eng.	....	22½	..	..	..
40	10	.	...	Port Alfred, pf.	....	10	..	..	..
70	64	7	10	Porto Rico pf.	....	70	..	..	..
b39½	9	.	...	Postal Tel.	....	..	..	..	..
63½	35⅞	2	5.5	Power Corp.	385	36½	36½	36½	36½
102	94	6	6.3	Do. pref.	....	94½	..	..	..
4½	3	.	...	Prairie C. Oil.	....	3	..	..	..
16	8½	50c	5	Pressed Metals	6	10	10	10	10
42¾	25	1	4	Price Bros.	55	25	25	25	25
99	70	6.50	9.3	Do. pref.	....	70	..	..	..
49	27	2.50	8.6	Quebec Power	855	29	29	29	29
110	105	7	6.7	Real Estate Ln.	....	105	..	..	..
3	1	.	...	Regent Knit.	585	1½	1½	1½	1½
10	5½	.	...	Reliance Grain	....	6½	..	..	..
16	9	2	18.2	River. S. Mills.	10	11	11	11	11
19½	10	1.50	10.7	Robinson Cone	....	14	..	..	..
16½	9	1.20	13.3	Rogers Majes.	....	9	..	..	..
291	231	12	5.2	Royal Bank	29	231	231	231	231
84	75	7	9.3	Ruddy, E. L. p.	....	75	..	..	..
77¾	60¾	4	6.6	Russell Motor	....	60¾	..	..	..
95	76½	7	9.1	Do. pref.	....	76½	..	..	..
36¾	7	.	...	Serv. Stn.	....	7	..	..	..
x12	5	.	...	Do. (B)	....	..	..	..	..
36¾	7	.	...	Serv. Stn. Eq.	710	7	7	7	7
90½	50	6	12	Do. pref.	....	50	..	..	..
59½	32½	2	6.1	Shawinigan	1044	33	33	33	33
30	20	1.60	8	Sher.-Wms.	....	20	..	..	..
121	112	7	6.2	Do. pref.	....	112	..	..	..
22	14	2.50	16.1	Simon & Son	....	15½	..	..	..
92	88¼	7	7.7	Do. pref.	....	91	..	..	..
92½	71½	6.50	8.9	Simpsons Ltd.	10	73	73	73	73
44½	36	2	5.5	Do. (A)	....	36	..	..	..
35½	24½	.	...	Do. (B)	....	29	..	..	..
108	103	6	5.8	Simpson, Robt.	....	104	..	..	..
4.00	.50	.	...	St. Law. Corp.	25	.60	.60	.60	.60
12	2½	.	...	Do. (A)	....	4	..	..	..
20	16	.	...	St. Law. Flour	....	16½	..	..	..
85	82	7	8.2	Do. pref.	75	85	85	85	85
30⅛	10	.	...	St. Law. Pap. p	1	10½	10½	10½	10½
30	4	.	...	St. Maur. V. p	....	4	..	..	..
32	22¾	1	3.4	So. Can. Pr.	30	25	29	29	29
106½	104	6	5.7	Do. pref.	23	105¾	105¾	105¾	105¾
16⅛	4	.	...	St. Pav. & Mat.	....	4	..	..	..
80	55	7	11.7	Do. pref.	....	60	..	..	..
1	1	.	...	Stanfords	....	1	..	..	..
15	5	1	...	Stand. Chem.	....	5	..	..	..
9⅝	3¾	.	...	Stand. Steel	....	4	..	..	..
35	30	3	10	Do. pref.	....	30	..	..	..
42½	21	1.75	7.9	Steel of Can.	1322	21¾	22	21¾	22
37	28¾	1.75	6	Do. pref.	302	29	29	29	29
4½	2⅛	.	...	Sterling Coal	....	2⅛	..	..	..
32½	12¾	1	6.2	Sup. Pet. Ord.	20	16	16	16	16
105	94	7	7.2	Do. pref.	....	97	..	..	..
31	14	1	5.9	Do. com.	....	17	..	..	..
49	41	.	...	Tamblyn	....	49	..	..	..
106	101	7	6.6	Do. pref.	....	105½	..	..	..
30	20	3.50	16.7	Thayers, pref.	....	21	..	..	..
13	6½	.	...	Tip Top Tailors	....	8½	..	..	..
90	77	7	8.4	Do. pref.	....	83	..	..	..
22	10	.	...	Tooke Bros.	....	10	..	..	..
67	48½	.	...	Do. pref.	....	48½	..	..	..
15	9½	.	...	Tor. Elevators	....	13	..	..	..
235	210	12	5.6	Tor. Gen. Tr.	3	215	215	215	215
115	108	6	5.4	Toronto Mtge.	....	110	..	..	..
3	1	.	...	Traymore	....	1	..	..	..
12½	9	1.40	15.5	Do. pref.	....	9	..	..	..
130	120	7	5.5	Tuckett Tob. p	....	128	..	..	..
17½	6½	.	...	Twin City	....	8	..	..	..
b62	19¾	7	...	Do. pref.	....	..	..	..	..
45	28	.	...	Do. (notes)	....	43	..	..	..
16	9⅜	1	10.1	Union N. Gas.	41	9⅞	9⅞	9⅞	9⅞
101½	98	7+1	7.9	Union Trust	....	100½	..	..	..
8	3	.	...	United Fuel	....	3	..	..	..
65	24	4	11.4	Do. pref.	....	35	..	..	..
62½	49⅝	2	4	United Secs.	....	50	..	..	..
24¼	8½	.	...	Viau Biscuit	....	9½	..	..	..
85	70	7	10	Do. pref.	....	70	..	..	..
30	10	.	...	Wabasso Cot.	....	10	..	..	..
8⅝	3	50c	12.5	Walker-Good.	20927	3¼	4	3	3⅝
7¾	2	.	...	Waterloo Mfg.	15	2	2	2	2
45	30	1	2.5	Weston Bisc.	....	40	..	..	..
90	79	7	8.7	Do. pref.	....	79	..	..	..
17½	7	.	...	West. Can. Fl.	....	7	..	..	..
96	75	6.50	8.7	Do. pref.	....	75	..	..	..
17	10	.	...	West. Grocers	....	10	..	..	..
55	40	7	17.5	Do. pref.	....	40	..	..	..
91	85	6.50	7.1	W. Steel Pr. p.	....	91	..	..	..
x9	9	.	...	Whittall Can.	....	..	..	..	..
13	10	.	...	Windsor Hotel	....	12	..	..	..
73	71	6.50	9.1	Do. pref.	....	71	..	..	..
21½	4	.	...	Winnipeg Elec.	1316	5	5½	5	5
81½	49	7	14.3	Do. pref.	....	49	..	..	..
‡30	30	.	...	Woods Mfg.	....	..	..	..	..
40	36	.	...	Do. pref.	....	36	..	..	..
80	80	7	8.7	Wood Alex. J.p.	....	80	..	..	..
x2½	1½	.	...	Zimmerknit	....	..	..	..	..
7	7	.	...	Do. pref.	....	7	..	..	..

x Quotations for 1930. No sales recorded in 1931 to date.
a Or payable in stock.
b New York Quotations.
‡ Quotations for 1929.
c 2½c monthly plus stock dividend of .005% monthly.
† Plus stock bonus.

Winnipeg Stock Exchange

October 5

	Bid	Ask		Bid	Ask
Beaver Fire	..	115	Gt. West Life	..	450
Beaver Lumber c.	..	5¼	Home Investment	..	50
Do., pref.	..	100	Monarch Life	..	30
Can. Amer. Tr. shs.	..	4½	Nor. Can. Mtge. pf.	15	...
Can. Fire Ins.	...	85	Nor. Can. Mtge. c.	½	...
Can. Indemnity	120	...	Un. Gr. Growers	10	..
Crescent Creamery	...	90	West Breweries	2	...

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)

October 13, 1931

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.20	.40
Acadia Sugar pfd.	1.80	2.50
Allens Colf. pfd.	29.00	....
Allens Lond. pfd.	29.00	....
Andian Nat. Corp.	22.00	27.00
Brand.-Hend. c.	....	20.00
Brand.-Hend. pfd.	75.00	85.00
Brew. Corp. of Can. c.	....	.55
Can. c.	....	.60
Brew. Corp. of Can. pfd.	2.00	4.00
B.C. Pulp & Pap. com.	1.75	....
B.C. Pulp & Pap. 7% pfd.	....	38.00
Can. Biscuit pfd.	....	7.75
Can. Crushed Stone pfd.	....	75.00
Can. Dom. Sug. c.	16.00	18.50
Can. Mach. c.	5.25	7.50
Can. Mach. 7% pf.	22.00	32.00
Can. Packers c.	12.00	16.00
Can. Pack. 7% pf.	85.00	92.00
Can. Starch pfd.	70.00	....
Can. Tea pfd.	50.00	62.00
Can. Wire & Cable pfd. w.w.	90.00	100.00
Can. Indust. c. 'A'	78.00	100.00
Can. Indust. c. 'B'	78.00	100.00
Can. Indus. 7% pfd.	105.00	....
Can. Investors c.	....	10.00
Can. Westing.	....	55.00
Chase, A. W. 8% pfd.	36.00	42.00
Cons. Oka Sand & Gravel pfd.	....	75.00
Cons. Oka Sand & Gravel com.	....	7.00
Copeland Flour 6% pfd.	....	15.00
Dom. Foundries & Steel pfd.	48.00	56.00
Dom. Foundries & Steel c.	4.75	7.50
Dom. Mfrs. pfd.	70.00	....
Dunlop Tire 7% pfd.	....	83.00
Eastern Car 6% pfd.	46.00	60.00
Federal Grain pf.	17.00	....
Freiman, A. J. pf.	....	67.00
Goderich Elev. & Transit	13.50	15.50
Greening Wire 7% pfd.	85.00	93.00
Guard. Realty pf.	40.00	45.00
Harding Carp. pf.	....	57.50
Inter-City Bak. c.	45.00	51.00
Internat. Proprietaries "A"	....	30.00
Loew's London c.	.50	1.50
Loew's London 7% pfd.	2.00	4.00
Maritime Tel. & Tel. c.	12.50	16.00
Morrow Screw Nut 7% pfd.	94.00	....
Mt. Royal Hotel Scrip	1.00	2.00
Mount Royal Hotel com.	1.00	3.00
Mount Royal Hotel 6% pfd.	....	19.00
Nat. Grocers c.	.50	1.25
Nat. Grocers 2nd 7% pfd.	45.00	52.00
Para. Oshawa c.	10.00	....
Para. Oshawa pf.	29.00	....
Prov. Paper pfd.	....	65.00
Standard Clay Products c.	24.00	....
Standard Fuel pfd. bonus	65.00	73.00
Supertest Petroleum "B" pfd.	16.00	....
Toronto Brick pf.	60.00	....
Toronto Carp. c.	106.00	....
Toronto Carpet 8% pfd.	96.00	....
Toronto Elevator 7% pfd.	....	75.00
Toronto Hous'g c.	23.00	....
Un. Amuse. "A"	13.00	23.00
Willards Chocolates 8% pfd.	....	39.00

	Bid	Asked
Insurance Stocks:	Bid	Asked
Br. Amer. Assce.	34.00	....
Can. Life Assce.	590.00	650.00
Canada Nat'l Fire	23.25	29.00
Can. Fire Ins.	75.00	90.00
Cap. Life 20% pd.	....	20.00
Commercial Life 10% pd.	....	22.00
Confederation Life 20% pfd.	175.00	230.00
Continental Life 20% pd.	70.00	90.00
Crown Life	....	225.00
Dominion Fire	95.00	130.00
Dom. of Canada General Ins.	200.00	230.00
Dom. Life 50% pd.	290.00	400.00
Excelsior Life 30% pd.	96.00	125.00
Fed. Fire 25% pd.	30.00	40.00
Fidelity Ins. of Canada	....	98.00
Gt. West Life	....	460.00
Guar. Co. of N. A.	235.00	....
Halifax Fire	10.00	15.00
Imperial Life	400.00	440.00
Mfrs. Life	290.00	320.00
Monarch Life	29.00	31.75
Nat. Life 25% pd.	105.00	125.00
Saskatchewan Life 10% pd.	9.00	18.00
Sovereign Life	26.00	31.00
Sun Life Assur.	600.00	800.00
Western Assur. c.	34.00	40.00
West. Life 20% pd.	7.50	....
Trust & Loan Stocks:		
Br. Mtg. & Trust	167.00	....
Can. Gen. Invest. Trust 1st	18.00	27.00
2nd Can. Gen. Investments	4.50	6.75
Chartered Trust	95.00	109.00
Deb. & Sec. c.	....	75.00
Deb. & Sec. pfd.	57.50	....
Eastern Can. Sav. & Loan	133.00	....
Eastern Trust	155.00	180.00
Guelph & Ont. Inv. par $50	50.00	60.00
Lambton Loan & Savings	73.00	....
London & Western Trust	....	160.00
Midland Loan & Savings	12.00	....
Mtge. Disc. pfd.	3.50	5.00
Mutual Fin. pfd.	5.00	....
Mutual Fin. com.	5.00	....
Sec. Loan & Sav.	111.50	....
Sherbrooke Trust	113.00	....
Sterling Trust	....	90.00
Traders Fin. pfd.	40.00	55.00
Traders Fin. c.	....	12.00
Trusts & Guar.	70.00	79.00
Victoria Trust & Savings	168.00	185.00
Waterloo Trust & Savings	120.00	135.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	98.00	102.00
Calgary Pwr. pfd.	....	91.00
Can. Light & Pwr. com.	....	26.00
Can. Northern Power pfd.	100.00	106.00
Can. West. Nat. Gas LH&P pfd.	68.00	80.00
Gt. Lakes Pwr. pf.	....	85.00
N. B. Tel. com.	11.25	15.00
N. S. L & P c.	58.00	70.00
N. S. L & P pfd.	84.00	....
Ottawa LH&P 6½% pfd.	....	103.50
Pwr. Corp. 6% pfd.	91.00	97.00
Recent London Quotations:		
Brewer Distillers		3s. 3d.
Can. & For. Sec.		7s. 6d.
Can. West. Lumber		1s. 6d.
Hudson's Bay		28s. 9d.
Do., 5% pfd.		52s. 6d.
Internat. Holdings		$1
Nfld. Pr. & Pap. deb. stk.		97½
Trust & Loan of Can. (15s. pd.)		5s.

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Assoc. Telephone & Tel. "A"	...	$1+50c	Jan. 1/32	Dec. 17
Amer. Comm. Power pref.	...	52c	Nov. 2	Oct. 12
Do., pref.	...	52c	Dec. 1	Nov. 12
Do., 1st pref. "A"	$7	$1.75	Nov. 2	Oct. 15
Do., 1st pref.	$6.50	$1.63	Nov. 2	Oct. 15
Do., 1st pref.	$6	$1.50	Nov. 2	Oct. 15
Do., 2nd pref. "A"	$7	$1.75	Nov. 2	Oct. 15
Do., com.	...	†1/40 sh.	Oct. 26	Sept. 30
Beatty Bros. 1st pref.	6%	1½%	Nov. 2	Oct. 15
Border Co. com.	$3	75c	Dec. 1	Nov. 14
Belding Corticelli, com.	7%	1¾%	Nov. 2	Oct. 15
Blue Ribbon Corp., pref.	$3.25	81¼c	Nov. 2	Oct. 15
Do., com.	$2	50c	Nov. 2	Oct. 15
Calgary Power, pref.	6%	1½%	Nov. 2	Oct. 15
Can. Industries	...	62½c+25c	Oct. 31	Sept. 30
Canadian Bronze	$2.50	62½c	Nov. 1	Oct. 20
Do., pref.	7%	1¾%	Nov. 1	Oct. 20
Can. Wire & Cable "A"	$4	$1	Dec. 15	Nov. 30
Canadian Car, com.	$1.75	44c	Nov. 30	Nov. 13
Can. Northern Power, com.	80c	20c	Oct. 26	Sept. 30
Can. Pr. & Paper Invest. pfd.	5%	1¼%	Nov. 16	Oct. 20
Cons. Industries	80c	20c	Nov. 2	Oct. 15
Consolidated Press	$2	50c	Nov. 2	Oct. 15
Canadian Dredge & Dock	$3	75c	Nov. 2	Oct. 16
Do., pref.	7%	1¾%	Nov. 2	Oct. 16
Disher Steel Constr. pref. "A"	$1.50	37½c	Nov. 1	Oct. 15
Dome Mines	$1	25c	Oct. 20	Sept. 30
Dominion Tar, pref.	6½%	1⅝%	Nov. 1	Oct. 15
Eastern Dairies	$1	25c	Nov. 2	Sept. 30
Eastern Theatres, com.	$2	50c	Dec. 1	Oct. 31
Foreign Power Secs. pfd.	6%	1½%	Nov. 16	Oct. 31
Ford Hotel, com.	...	50c	Oct. 31	....
Foundation Co., com.	$1	25c	Nov. 15	Oct. 31
Fuller, G. A. of Can., pfd.	6%	$1.50	Nov. 1	Oct. 15
Granby Cons Mining	$1	25c	Nov. 2	Oct. 16
Hamilton Bridge pref.	6½%	1⅝%	Nov. 1	Oct. 15
Humberstone Shoe	$2.40	60c	Nov. 2	Oct. 15
Hamilton Bridge pfd.	$6.50	$1.62½c	Nov. 1	Oct. 15
Inter. Nickel, pref.	7%	1¾%	Nov. 2	Oct. 3
Inter. Utilities prior pfd.	$7	$1.75	Nov. 2	Oct. 16
Do., prior 1931 series	$3.50	87½c	Nov. 2	Oct. 16
Imperial Bank	12%	3%	Nov. 2	Sept. 30
Lake Shore Mines	$2+50c	50c+50c	Dec. 15	Dec. 1
MacKinnon Steel pfd.	7%	1¾%	Nov. 2	Oct. 15
Montreal L. H. & Pr.	$1.50	37c	Oct. 31	Sept. 30
Northern Ont. Pwr. pfd.	6%	1½%	Oct. 26	Sept. 30
Do., com.	$2	50c	Oct. 26	Sept. 30
Penmans	$4	$1	Nov. 16	Nov. 5
Do., pref.	6%	1½%	Nov. 2	Oct. 21
Power Corp., com.	$2	50c	Nov. 20	Oct. 31
Simpson, Robt. pfd.	$6	$3	Nov. 2	Oct. 15
Service Station pfd. "A"	$6	$1.50	Nov. 1	Oct. 15
Do., pref.	$6	$1.50	Nov. 1	Oct. 15
Southern Can. Power com.	$1	25c	Nov. 16	Oct. 31
Steel of Canada	$1.75	43¾c	Nov. 2	Oct. 7
Do., pref.	$1.75	43¾c	Nov. 2	Oct. 7
Toronto Elevators pfd.	7%	1¾%	Oct. 15	Oct. 1
Teck-Hughes	60+5c	15+5c	Nov. 2	Oct. 17

†Payable in Class "A" stock on each share of Class "A" & "B" common.

Dividends Passed or Deferred:

Brandram-Henderson, com. Nov. 1, passed. Last paid ½ of 1% Aug. 1, 1931.

Mexican Light & Power, 7% cum. pref. and 4% 2nd pref. Nov. 1, deferred. Last paid 3½% on 1st pref. and 2% on 2nd pref., May 1, 1931.

Transamerica Corp., Oct. 25, passed. Last paid 10c. July 25, 1931.

Bonus Omitted:

Year-end bonus of the following banks will be omitted this year: Commerce, Dominion, Imperial, Montreal, Royal & Toronto.

Dividend Rate Increased:

Humberstone Shoe Nov. 2, increased from 50c. to 60c. quarterly.

Bonus Declared:

Lake Shore Mines, Dec. 15, 50c.
Teck Hughes, Nov. 2, 5c.

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Active Current Bond Prices

October 10, 1931

	Bid	Asked	Yield
Dominion of Canada 5½/33	101.	103.	[illegible]
Dominion of Canada 5½/34	100.	102.	[illegible]
Dominion of Canada 5/43	100.	102.	[illegible]
Dominion of Canada 4½/46	95.	98.	[illegible]
Dominion of Canada 4½/56	93.	95.	[illegible]
Dominion of Canada 4½/58	95.	97.	[illegible]
C. N. R. (Dom. of Can. Guar.) 5/54	99	102.	[illegible]
C.N.R. (Dom. of Can. Guar.) 4½/51	94.	96.	[illegible]
C. N. R. (Dom. of Can. Guar.) 4½/55	96.	99.	[illegible]
C. N. R. (Dom. of Can. Guar.) 4½/56	94.	98.	[illegible]
C. N. R. (Dom. of Can. Guar.) 5/69	100.	103.	[illegible]
Province of Ontario 4½/44	94.	98.	[illegible]
Province of Ontario 5/48	100.	103.	[illegible]
Province of Ontario (Hydro) 4½/70	94.	97.	[illegible]
Province of Quebec 4½/56	95.	97.	[illegible]
Abitibi Power & Paper 5/53	40.	45.	[illegible]
Argentine Gov't. (Ser. B) 6/58	39.	41.	[illegible]
Beauharnois Power 6/59	60.	70.	[illegible]
Bell Telephone Co. of Canada 1st, 5/57	102.	106.	[illegible]
Brazil, U. S. of, Ext. S. F. 6½/57	20.	22.	[illegible]
British Columbia Power 5/60	87.	92.	[illegible]
British Columbia Power 5½/60	96.	99.	[illegible]
British Columbia Telephone 5/60	96.	98.	[illegible]
Calgary Power 5/60	86.	92.	[illegible]
Calgary Brewing 5/42	98.	102.	[illegible]
Canada Cement 1st Mtge. S. F. 5½/47	86.	92.	[illegible]
Canada Gypsum Lime & Alabastine 5½/48	75.	82.	[illegible]
Canada Northern Power Corp. 5/53	80.	87.50	[illegible]
Canada Steamship Lines 1st & Gen. 6/41	30.	40.	[illegible]
C. P. R. Collateral Trust 5/54	93.	96.	[illegible]
C. P. R. Secured 4½/44 Notes	88.	92.	[illegible]
Chile Republic Ext. S. F. 6/60	17.	19.75	[illegible]
Colombia Republic Ext. S. F. 6/61	27.	28.50	[illegible]
Davies, Wm. 6/42	80.	90.	7.40
Dominion Canners 6/40	102.	105.	[illegible]
Dominion Square Corporation 6/48	60.	70.	[illegible]
Dominion Tar & Chemical 6/49	70.	80.	[illegible]
Dominion Textile 6/49	101.	106.	[illegible]
Duke Price Power 1st, 6/66	92.	97.	[illegible]
Eastern Dairies, Ltd., Conv. 6/49	94.	98.	[illegible]
Eaton, T. Realty, 5/49	85.	90.	[illegible]
Famous Players 6/48	70.	77.	[illegible]
Federal Grain 6/49	60.	70.	[illegible]
Foreign Power Securities Corp. 6/49	75.	85.	[illegible]
Fraser Companies 6/50	25.	35.	[illegible]
Gatineau Power, 1st Mtge. 5/56	75.	80.	[illegible]
Gatineau Power, S. F. Debs., 6/41	78.	83.	[illegible]
General Steel Wares 6/52	50.	55.	[illegible]
Howard Smith Paper Mills 5½/53	53.	63.	[illegible]
Harris Abattoir 6/47	95.	100.	6.00
Manitoba Power, 1st S. F. 5½/51	68.	75.	[illegible]
Maple Leaf Milling 5½/49	75.	80.	[illegible]
Massey-Harris, 1st Mtge. 5/47	53.	63.	[illegible]
MacLaren Quebec Power 5½/61	80.	90.	6.25
Montreal Coke, 1st S. F. 5½/47	96.	100.	[illegible]
Montreal Island Power 5½/57	94.	98.50	[illegible]
Montreal Light, Heat & Power 5/51	96.	100.	[illegible]
Montreal Tramways 1st, Coll. Trust 6/41	96.	100.	[illegible]
Montreal Tramways Gen. Ref. 4½/55	80.	85.	[illegible]
Montreal Tramways 5/55	83.	86.	6¼
Moodie, J. R. 6/48	95.	100.	6.00
Ogilvie Flour Mills 6/32	99.	101.	4.96
Ontario Power Service 5½/50	60.	70.	[illegible]
Ottawa Valley Power 5½/70	95.	98.50	[illegible]
Power Corporation of Canada 4½/59	78.	80.	[illegible]
Price Bros. 1st S. F. Ser. "A" 6/43	75.	85.	[illegible]
Quebec Power 1st, Mtge. Coll. S. F. 5/68	94.	97.	5.17
Shawinigan Water & Power 4½/70	90.	95.	[illegible]
Shawinigan Water & Power 5/70	97.	100.	5.00
Simpsons 6/49	80.	90.	[illegible]
Southern Canada Power 1st. 5/55	98.	102.50	[illegible]
United Securities Coll. Trust 5½/52	94.	99.	[illegible]
West Kootenay Power 5/56	94.	98.	[illegible]
Windsor Hotel 6½/43	99.	102.	6.25
Windsor Hotel 6/47	90.	96.	[illegible]
Winnipeg Electric 5/35	94.	100.	5.00
Winnipeg Electric 6/54	70.	78.	8½

Active Provincial & Municipal Bonds

Quotations furnished by A. E. Ames & Co., Ltd., Canada Permanent Bldg., Toronto, Ont.

Provinces	Rate	Actual Maturity	Next Int. Date	Approx. Price	Approx. Yield %
Alberta	4½	1 Oct., 1958	1 Apr.	84.78	5.60
Alberta	5	1 July, 1943	1 Jan.	93.75	5.75
Alberta	6	1 Apr., 1936	1 Apr.	100.78	5.80
British Columbia	4½	1 Oct., 1953	1 Apr.	92.12	5.10
British Columbia	5	15 Jan., 1948	15 Jan.	98.89	5.10
British Columbia	6	15 Aug., 1941	15 Feb.	104.98	5.35
Manitoba	4	1 July, 1947	1 Jan.	88.31	5.10
Manitoba	5	2 June, 1959	2 Dec.	98.53	5.10
Manitoba	5	15 June, 1943	15 Dec.	99.14	5.10
New Brunswick	4½	1 June, 1948	1 Dec.	94.97	4.95
New Brunswick	4½	15 June, 1936	15 Dec.	99.20	4.95
New Brunswick	6	1 Jan., 1936	1 Jan.	103.13	5.15
Nova Scotia	4½	15 Nov., 1948	15 Nov.	94.87	4.95
Nova Scotia	5	1 May, 1943	1 Nov.	100.00	5.00
Nova Scotia	6	1 Nov., 1936	1 Nov.	103.70	5.15
Ontario	4½	1 Sep., 1944	1 Mar.	96.19	4.90
Ontario	5	15 Oct., 1948	15 Feb.	100.57	4.95
Ontario	6	2 May, 1936	2 Nov.	103.58	5.10
P. E. I.	4	1 Apr., 1939	1 Apr.	92.92	5.15
P. E. I.	4½	1 Oct., 1944	1 Apr.	93.90	5.15
Quebec	4½	1 May, 1961	1 Nov.	89.92	4.90
Saskatchewan	4½	1 Oct., 1944	1 Apr.	89.94	5.60
Saskatchewan	5	1 Oct., 1950	1 Apr.	92.50	5.65
Saskatchewan	6	1 Feb., 1936	1 Feb.	100.59	5.85
Cities					
Montreal	5	1 Sep., 1963	1 Mar.	100.80	4.95
Toronto	4½	1 Sep., 1954	1 Mar.	94.52	4.90
Vancouver	4	1 Aug., 1946	1 Feb.	86.20	5.35
Winnipeg	5	1 Mar., 1944	1 Mar.	97.73	5.25
Edmonton	5½	1 May, 1945	1 Nov.	96.81	5.90
Calgary	5	1 Jan., 1943	1 Jan.	92.80	5.90
Halifax	6	1 July, 1951	1 Jan.	109.73	5.20
Saint John	5	15 Dec., 1950	15 Dec.	98.20	5.15
Regina	4½	1 July, 1950	1 Jan.	84.36	5.90
Victoria	5	21 July, 1945	21 Jan.	95.63	5.45
Quebec	5	1 June, 1948	1 Dec.	100.56	4.95

Foreign Exchange

	New York Funds High (Premium)	New York Funds Low	Last Year High (Discount)	Last Year Low
October 7	12 5-8	12 1-4	7-64	1-8
October 8	12 3-4	11 3-4	7-64	1-8
October 9	11 3-4	10 3-4	5 64	7-64
October 10	10 1-2	9 3-4	1-16	5-64
October 12	.....	.....	6-64	7-64
October 13	13	10 1-4	5-64	7-64

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
October 7	3.84½	3.93¾	5.14½
October 8	3.85	3.93 15-16	5.14½
October 9	3.86½	3.94	5.14½
October 10	3.90	3.94	5.16½
October 12	...	...	...
October 13	3.87½	3.93⅞	5.16½

FOREIGN EXCHANGE

Par		Sept. 29	Oct. 6	Oct. 13
5.26	Italian	5.67	5.78	5.84
23.80	German	26.23	25.87	25.99
13.90	Belgian	15.48	15.75	15.82
49.80	Japanese	....	....	55.75

Winnipeg Grain Prices

Week to October 13

Crop Year from Aug. 14 High	Low		Open Oct. 7	High for week	Low for week	Close Oct. 13
		Wheat				
.70⅝	.51	Oct.	.52⅝	.56	.52¼	.55¾
.56¼	.52½	Nov.	.53¾	.56½	.52⅝	.56
.67½	.51½	Dec.	.53⅞	.55⅞	.52½	.55
.61⅞	.55⅞	May	.57¾	.59½	.56½	.53¾
		Oats				
.32	.26½	Oct.	.28⅞	.30⅝	.28½	.29⅞
.33¾	.25⅝	Dec.	.28⅞	.29¾	.28⅝	.29⅝
.31½	.28	May	.30¾	.30⅞	.30	.30⅝
		Barley				
.32½	.25½	Oct.	.30⅝	.32½	.30	.31¾
.33¾	.25⅞	Dec.	.31	.32⅞	.30½	.31⅞
.36¼	.32½	May	.33⅝	.33⅝	.32½	.33¼
		Flax				
1.25¾	.91⅞	Oct.	.94½	.95½	.91⅞	.92½
1.27	.92⅞	Dec.	.95½	.95½	.92⅞	.93⅝
1.21	.98½	May	1.00½	1.02	.98½	.98½
		Rye				
.40⅝	.28	Oct.	.32⅞	.35	.32½	.34⅜
.42	.29⅞	Dec.	.33⅞	.35½	.32⅞	.35½
.38⅝	.32½	May	.37½	.38⅝	.36½	.38½

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo
Week of October 13

High to date†	Low to date†		Close Oct. 6	High for week	Low for week	Close Oct. 13
		Wheat				
.70½	.48¾	Oct.	.49¾	.53¾	.50¼	.53⅞
.70½	.50¾	Dec.	.51¾	.55¾	.52⅝	.55⅝

†Since trading opened March 3.

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Mining News

BRETT-TRETHEWEY MADE GOLD FIND IN SWAYZE TWP.

Mines Department Sends Engineer to Make a Report

Culminating six weeks' exploration work in Swayze township, Sudbury mining division, Ontario, the Brett-Trethewey Mines has made a strike of sufficient importance for the Ontario Department of Mines to send one of its engineers to make a report.

The company has had two prospecting parties in northwestern Ontario, one working in Swayze township and the other in the Little Long Lac area, Thunder Bay mining division. The company has staked fifteen claims, in Swayze township one mile and a quarter along the strike of the vein, which is principally quartz averaging around five feet in width. Five trenches have been opened up on the main vein and on what is thought to be a parallel vein. Highly encouraging assays have been returned from channel sampling. Officials report that very little overburden is encountered and it is their intention to establish immediately more permanent quarters so that work can proceed into the winter months.

It is too early for officials to make any announcement regarding the potentialities of the find, but results to date are known to be most encouraging. The company's find has resulted in an influx of prospectors and extensive staking programmes.

Swayze township was reached by Brett-Trethewey officials from Gogama on the Canadian National Railway, about 50 miles east, by airplane. The property is also reached from Ridout on the Canadian Pacific Railway, about fifteen miles to the southwest of the site of the find.

Ore Receipts at Trail

Following is a statement of the ore received at the Trail smelter for the period October 1 to October 7, inclusive, and for the year to date:

	Oct. 1 to 7	Yr. to Date
Bell, Beaverdell	49	1,482
Big Missouri, Stewart	110	110
Butcher Boy, Carmi	..	33
J. A. Carter, Zwicky	..	9
Catherine, Nelson	..	16
Copper Basin, Princeton	..	21
Euphrates, Nelson	27	27
Gold King	..	1
Highland Lass, Beaverdell	49	200
Kerr, Wukuske	27	27
Knob Hill, Republic	..	549
Little Daisy, Silverton	..	2
Midnight, Rossland	..	65
O'Brien, Cobalt	42	381
Planet, Nicola	..	105
Redmond, Republic	..	38
Ruth, Sandon	..	163
Sally, Beaverdell	..	111
Silver King, Tulameen	..	27
Silversmith, Sandon	..	153
Union, Lynch Creek	..	1,284
Wellington, Beaverdell	..	503
Wilcox, Ymir	..	48
	277	5,307
Total custom ore, week		277
Total company ore, week		7,231
Grand total, week		7,508
Total custom ore, yr. to date		5,307
Total comp'y ore, yr. to date		338,838
Grand total, year to date		344,145

BRALORNE UTILIZES OLD DUNWELL MILL

Uses Part of Equipment of Mill Completed in 1927 —Hardly Used

Bralorne Mines, constructing a 100-ton mill at its gold property in the Cadwallader Creek section of the Bridge River district, British Columbia, is using part of the equipment from the old Dunwell Mines property in the same area.

The Dunwell mill was completed in 1927 and operated but a few months, treating less than 30,000 tons of ore.

Some time ago it was reported that an effort was being made to operate the Dunwell mill for treating customs ore, but negotiations in this direction were not successful.

Hollinger May Raise Dividend Next Time Paid

Hollinger Consolidated Gold Mines shareholders are to receive direct benefit of the premium on its gold production with the dividend disbursement payable November 4, according to official information.

Hollinger pays five cents a share in dividends every four weeks, and it is the plan of the officials to add to this dividend the equivalent of the premium received during the preceding period. Thus shareholders will benefit at once by the increased earnings.

The average gross production of Hollinger every four weeks, for the first six months of this year, has been approximately $712,000. With a premium of ten per cent this would represent an increased earning of $71,200 or equivalent to approximately one-and-one-half cents per share. Thus, if the premium on its gold production continues around ten per cent the shareholders can look for a distribution of around 6½ cents per share instead of the usual five cents every four weeks—an increase of approximately 30 per cent.

DOMINION REPORT ON GOLD MINING LISTS 8,795 MEN

Total Wages Paid Amount to $9,769,128 During 1930

The Dominion Bureau of Statistics annual review of the gold mining industry in Canada in 1930 says that the total production, amounting to 2,102,068 fine ounces valued at $43,463,601, was made up of 1,782,875 ounces contained in crude bullion made by gold mines of 42,324 ounces from alluvial mining of 172,642 ounces in blister copper and base bullion from Canadian smelters and 104,227 ounces, estimated as contained in ores, matte, slags and concentrate exported to foreign smelters.

Alluvial gold mining is carried on principally in the Yukon territory and British Columbia, a total of 79 producers reporting. In the Yukon territory The Yukon Consolidated Gold Corp. operating electrically equipped dredges on the Bear and Upper and Lower Dominion Creeks, is the principal producer. In British Columbia the principal alluvial production was from the camps in Atlin, Cariboo and Quesnel mining divisions.

The total number of employees in alluvial mining is shown at 394, which received $612,369 in salary and wages against a total value of gold produced amounting to $877,778. That is, salaries and wages amounted to approximately 70 per cent of the total value of the gold produced. The total material handled was given at 3,783,981 cu. yds., which gives an equivalent recovery of 23 cents in gold per cu. yd. of material.

The report on auriferous mining showed 37 producers reporting, which treated a total of 4,306,869 tons of ore and produced gold bullion valued at $36,971,481. This is equivalent to an average recovery of approximately $8.60 per ton of ore treated. Salaries and wages paid to 8,401 employees amounted to $14,034,620, or about 37 per cent of the total value of the production, or expressed in terms of tonnage, about $3.25 per ton of ore treated. The tonnage per man employed in this branch of the gold mining industry was 513 tons per year, having a value of $4,400. The average total number of employees in this branch of the industry throughout the year was 5,188, of which about two-thirds were employed underground.

MADAWASKA SYN. COPPERTHWAITE'S FRESH PROMOTION

Buffalo Stock Pusher is Assisting in New Scheme

The Madawaska Syndicate is the latest promotion of Edward Copperthwaite, of Toronto, to which the public is asked to subscribe.

This mining venture of Mr. Copperthwaite is said to be a beryllium deposit with which are associated numerous other minerals, including radium. Promotional activities are confined principally to Buffalo under the direction of Robert G. Lowther.

The company's prospectus says that the syndicate is capitalized at 1,000,000 shares, 750,000 of which are to be issued to syndicate participants. The principal properties of the company are known to be held under option in the name of Danile Burke, of Killaloe, Ont.

Edward Copperthwaite styles himself "mining technologist," and an authority on non-metal minerals.

He hailed from Westmoreland County, England, several years ago and in that time has been connected with some dozen promotional activities centred about mining. As in other promotions, Mr. Copperthwaite is assisted by J. Ogle Carss, also of Toronto.

OLIVER HALL HAS RESIGNED

Oliver Hall, superintendent of mines for the International Nickel Co., has resigned and will establish himself in Toronto in consulting practice.

Mr. Hall was formerly in charge of mining operations at the Mond Nickel Co., but for about two years has held his present position. His connection with the International Nickel Co., will not be entirely severed as he will act in the capacity of consultant.

Following his graduation from McGill University in 1903, Mr. Hall has spent almost his entire time with the Mond, and International Nickel organizations, with the exception of two years spent in the west.

ASBESTOS CORP. OUTPUT LOWER FOR FIRST HALF

Values Per Ton Show Drop as Well as Tonnage

From Our Own Correspondent

MONTREAL.—Wide declines in volume and values of asbestos produced in Canada during the first half of the current year indicate the difficulties which confront Asbestos Corp. in its operations. In the first half of 1931 total asbestos production in Canada dropped 38 per cent while value declined by 46 per cent as compared with the same period in 1930.

Total output of asbestos mines in Canada in the first six months of this year was 66,967 tons against 116,820 tons in the first half of 1930. Shipments totalled 76,145 tons valued at $2,447,617 while in the first half of the previous year shipments amounted to 123,693 tons valued at $4,570,733.

Though the drop in production and sales was severe, prices have also been reduced. The average value per ton of asbestos shipped in the first half of this year was $32.14 whereas in the same period last year asbestos sales had an average value of $39.65 a ton. Competition from Russia and increased production in Rhodesia are two factors which have contributed to the difficulties of the Canadian industry which is all concentrated in Quebec.

With the half year figures in mind and prospects for the balance of the year not improved, the outlook for Asbestos Corp. earnings in 1931 is not encouraging. Last year the company sustained an operating loss of $89,068 which was offset to some extent by income from investments of $61,432 leaving a net deficit of $27,636.

Made Write-offs

Drastic write-offs were made, however, on account of depreciation and depletion and after all charges, including bond interest, there remained a total deficit of $1,299,002. A deficit of $987,906 was carried forward into the current year.

While interest on the first and refunding and also on the general mortgage bonds of the company has been passed, holders of $288,600 of first mortgage bonds of a subsidiary, Asbestos Corp. of Canada, have not given their consent to a plan to waive interest payments. Meetings were called in August on two occasions but both times a quorum was lacking and plans had to be abandoned.

HILLTOP FINISHES ASSESSMENT WORK

Hilltop Gold Mines has completed the first year's assessment work on nine of its mining claims in the Argyle township, Matchewan area, Ontario.

Early in April this year the company acquired a 90 per cent interest in an option on thirteen claims in this area. During the season trenching has been carried on, which uncovered a quantity of highly mineralized float, typical of that in Argyle township.

Recently the company completed the purchase of six claims in Tyrrell township just south of the Matchewan area.

Canadian Quotations—Cont'd

Listed Bond Quotations

Week Ending October 12

Montreal	Int. Rate	Due	Yield	Latest Ask	High	Low	Range 1931 High	Range 1931 Low
Abitibi, 1st mtge.	5	1953	...	...	...	...	78	49
Asbestos	5	1942	...	...	...	...	100	...
Asbestos, 1st mtge.	6	1941	...	...	...	...	20	15
Do., gen. mtge.	6	1956	...	...	...	...	9	...
Can. Cons. Rub.	6	1946	...	...	...	...	x101½	102½
Can. Cottons	5	1940	6.88	...	...	...	91	88
Can. Forgings	6	1942	6.00	...	...	...	100	...
Can. Locomotive	6	1951	...	...	...	...	x96	...
Can. Pr. (La. Ser.)	5½	1958	...	...	...	...	28½	5
Do. (Way Ser.)	5½	1958	...	...	7	...	28½	5
Can. S. S. deb.	5	1943	...	...	...	...	x98½	94
Cedars Rapids	5	1953	4.66	...	...	...	105	101
Dom. Canners	6	1940	...	...	...	...	x103	...
Dom. Coal	5	1940	5.29	...	...	...	98½	98
McNish	6	1948	...	...	2.25	...	3.25	2.00
Mex. L. & Pr.	5	1940	10.05	...	...	...	73½	70½
Mont. L. H. & Pr.	4½	1932	...	...	...	...	x100	98⅞
Mont. Tr. 1st mtge.	5	1941	4.84	...	...	...	101½	99½
Mont. Tr. "A"	5	1955	5.70	...	...	...	95½	90½
Mont. Tr. G. & R. "B"	5	1955	5.51	...	...	...	95¼	91¾
Do. "C"	4½	1955	5.64	...	...	...	85	84
Do. "D"	5	1955	5.55	...	...	...	95½	91¾

Montreal	Int. Rate	Due	Yield	Latest Ask	High	Low	Range 1931 High	Range 1931 Low
N. S. Steel	5	1959	...	...	...	...	62½	59
Ogilvie Flour "A"	6	1932	5.35	...	...	...	100⅝	100
Do. "B"	6	1932	...	...	...	...	x108	101
Do. "C"	6	1932	5.73	...	...	...	100½	...
Ont. Steel	6	1943	...	...	...	...	...	...
Porto R. Pr.	5	1936	7.95	...	...	...	93	88
Steel of Can.	6	1940	4.98	...	...	...	107½	106½
Wayagamack	6	1951	...	...	...	...	75	45
West. K. Pr.	6	1940	5.15	...	...	...	106	...
Winn. Elec.	5	1935	5.12	...	...	...	99½	98¾
Toronto								
Canada Bread	6	1941	6.00	...	...	...	101½	100
Steel of Can.	6	1940	5.12	...	...	...	106½	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1937	3.67	106.75	105.60	....	108.15	103.75
Victory Loan	5½	1933	4.44	102.00	101.50	100.50	105.25	100.50
Do.	5½	1934	4.95	101.75	101.50	100.00	105.30	100.00
Do.	5½	1937	4.26	106.75	106.00	....	112.40	105.25
Do., refund	4½	1940	4.85	96.50	94.75	....	102.30	94.75
Do., refund	5	1943	4.79	101.75	100.35	99.25	106.70	98.25
Do., refund	4½	1944	4.63	96.50	....	....	102.35	92.00
Do., refund	4½	1946	4.88	96.50	95.00	....	102.45	95.00
Do., renewal	5½	1932	4.46	101.15	100.00	....	103.00	100.00
Conversion Loan	4½	1956	4.87	94.75	93.75	92.75	102.10	91.00
Do.	4½	1957	4.96	95.00	94.75	92.75	103.00	92.00
Do.	4½	1958	4.93	96.00	95.75	92.75	104.65	92.00
Do.	4½	1959	4.95	96.50	96.00	93.50	104.75	92.00

x—Quotations for 1930. None recorded in 1931 to date.

Mining Stock Quotations

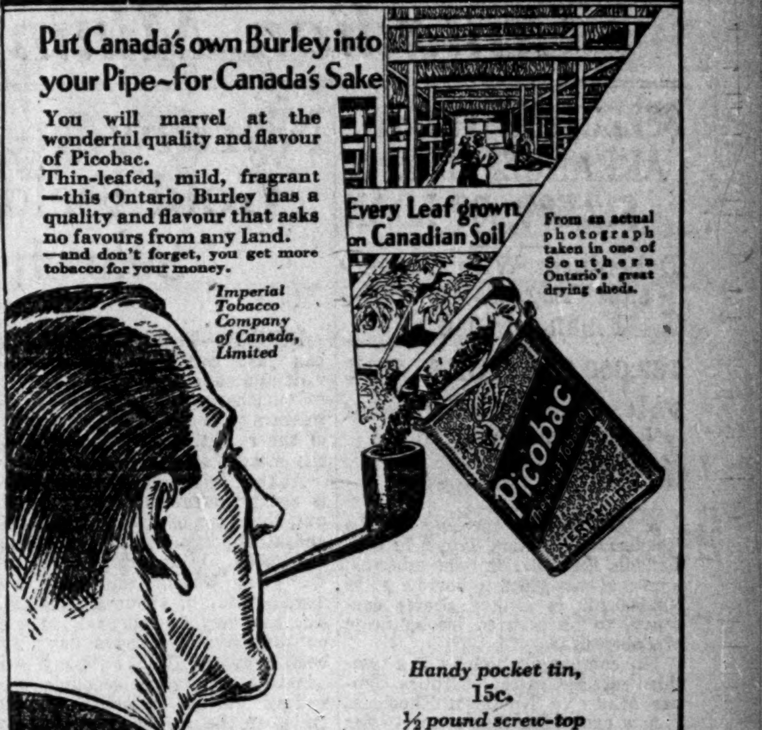
Week Ended October 12

Par Val	Range 1931 High	Range 1931 Low	Company	Sales	Close Oct. 5 (or last)	High for week	Low for week	Close Oct. 12
1	.23	.02½	Abana		.03	.....	.....	.....
1	.03	.01	Aconda		.01	.....	.....	.....
1	.05¼	.03½	Adrien		.04½	.....	.....	.....
No	.50	.12	Aldermac		.25	.....	.....	.....
1	.20½	.11	Alexandria	22,000	.13	.14½	.13	.13
1	.05	.00½	Algonquin	6,500	.00¾	.00¾	.00½	.00¾
1	.02½	.01	Amity C.		.01½	.....	.....	.....
No	.45	.12	Amulet		.17	.....	.....	.....
1	.02½	.00¾	Apex		.01½	.....	.....	.....
1	.05	.01	Area		.01½	.....	.....	.....
1	.01	.00½	Argo. Cons.		.00½	.....	.....	.....
No	.08½	.01¼	Arno	4,700	.02	.02	.02	.02
1	.01¼	.01	Astoria		.01	.....	.....	.....
1	.02	.00½	Atlas		.00½	.....	.....	.....
1	.07	.05½	Bagamac		.06½	.....	.....	.....
1	.02½	.01	Baldwin	3,500	.01	.01	.01	.01
1	.19	.08	Barry Holl.	3,800	.09	.10½	.08	.10½
No	1.45	.75	Base Metals		.90	.....	.....	.....
No	.04	.00¾	Bathurst		.03	.....	.....	.....
5s.	1.75	.60	B'Wana		.75	.....	.....	.....
1	.28	.25	Ben Nevis		.27	.....	.....	.....
1	.33	.18	Bidgood	1,700	.19	.21	.18	.21
1	.50	.08	Big Missouri	24,050	.11	.13	.08	.09
1	.05½	.04½	Blue Quartz		.04½	.....	.....	.....
1	.12	.01½	Bobjo	15,000	.03¼	.03¼	.02½	.03
No	.01	.00½	Boischatel		.01	.....	.....	.....
1	.09	.01	Brett Trethewey	112,900	.02	.09	.03	.09
1	.03	.03	Brit. Canadian		.03	.....	.....	.....
No	.12	.02½	Brownlee	99,300	.03½	.08	.03½	.05½
1	.02	.00½	Buckingham		.00½	.....	.....	.....
.	.24½	.19	Buffalo Can.	29,200	.21½	.24½	.21	.24½
No	.08½	.02	Bunker Hill	10,000	.03¼	.03¼	.03¼	.03¼
No	.03	.01	Cal. Flin Flon		.01	.....	.....	.....
1	.02	.01	Cambro Kirk		.02	.....	.....	.....
No	.05½	.02	Canam Metals		.02½	.....	.....	.....
1	.06½	.01½	Can. Kirk	41,000	.03½	.03¾	.03½	.03½
1	.02	.02	Can. Lorraine		.02	.....	.....	.....
1	.32½	.12	Canusa	11,100	.22	.24½	.21	.22
1	.04½	.00½	Capital Rouyn		.01	.....	.....	.....
1	.26½	.15	Castle Tre.	1,600	.17½	.17	.17	.17
1	.23	.03	Cen. Manitoba		.08½	.....	.....	.....
1	.17	.07½	Can Patricia	275	.07½	.09	.09	.09
1	.02	.01½	Champion R.		.02½	.....	.....	.....
No	.59	.02	Chib. Pros.	500	.05	.09	.09	.09
No	.08	.01¼	Clericy	2,500	.01¼	.01¼	.01¼	.01¼
5	10.50	2.50	Coast Copper		[illegible]	.....	.....	.....
1	.05½	.01½	Cobalt Con.	17,000	.02½	.02½	.01	.02½
1	.02½	.00½	Col. Kirkland		.01½	.....	.....	.....
1	.39	.05	Columario	1,300	.07	.09	.08½	.08½
5	1.50	.50	Coniagas		1.25	.....	.....	.....
No	.62	.25	Coniaurum	1,000	.40	.40	.40	.40
25	188.25	64.00	Cons. Smelters	254	65.00	65.00	65.00	65.00
.	.31½	.15	Cons. Venus	14,200	.30	.31½	.30	.30
1	.01	.00½	Corona		.00½	.....	.....	.....
1	.02½	.00½	Crown Reserve		.01	.....	.....	.....
.	.29½	.26½	Cudome		.28½	.....	.....	.....
No	.21	.03	Dom. Exploration	15,200	.08	.08	.06½	.08
1	.03	.00½	Dom. Kirkland	3,000	.00½	.01	.00¾	.00¾
No	13.40	8.00	Dome Mines	6,465	9.00	9.65	8.80	9.65
1	.01	.00½	Don Rouyn		.01	.....	.....	.....
No	.33	.30	Donald Woolsey		.30	.....	.....	.....
1	.01	.00½	Dunkin		.00½	.....	.....	.....
1	.02½	.00½	Duprat		.01½	.....	.....	.....
1	1.68	.20	Eldorado	3,100	1.01	1.01	.85	.88
No	1.70	.75	Falconbridge		.99	.....	.....	.....
1	.08½	.02	Federal		.04½	.....	.....	.....
No	.01½	.00½	Flintoba	6,000	.00½	.00¾	.00½	.00¾
No	.30	.07	Gem Lake		.07	.....	.....	.....
No	.04½	.01½	Gilbec	1,000	.01½	.02	.02	.02
1	.08	.02½	Goldale		.03½	.....	.....	.....
10	.25	.08	Goldfield		.08	.....	.....	.....
1	.01½	.00½	Gold Hill		.00½	.....	.....	.....
1	.11	.02½	Goodfish	2,500	.03½	.03½	.03½	.03½
1	.04	.00½	Graham		.00½	.....	.....	.....
No	2.30	1.10	Granada	5	1.15	1.35	1.35	1.35
1	.12	.06	Grozelle	5,000	.09	.09	.09	.09
1	.03	.01	Harker	2,000	.01½	.01½	.01½	.01½
.	.39	.31	Harvey		.39	.....	.....	.....
1	.08½	.07½	Hayden		.08	.....	.....	.....
.	.30	.28	Helliwell		.28	.....	.....	.....
1	.05	.00½	Hilltop	58,500	.01¾	.02½	.01½	.02
5	8.70	4.60	Hollinger	10,825	5.00	5.55	4.85	5.40
1	.40	.20	Howey Gold	45,400	.30½	.32	.29	.29
No	6.30	2.00	Hudson Bay	1,367	2.50	3.15	2.18	3.15
No	.40	.30	Huronian		.31	.....	.....	.....
No	20.50	8.12	Int. Nickel	37,506	8.37	10.25	8.12	9.75
1	.03	.00½	Jackson M.		.01	.....	.....	.....
1	.34	.23	Keeley		.23	.....	.....	.....
1	.04½	.00½	Keora M.	2,000	.01	.01	.01	.01
1	.65	.27½	Kirk. Hud. Bay	2,500	.61	.63	.60	.62
1	.03	.01	Kirk. Hunton		.01½	.....	.....	.....
1	.93	.53	Kirkland Lake	40,600	.55	.59½	.53	.53
1	.08	.01	Kirk. Premier		.01	.....	.....	.....
1	.25	.08½	Kirk. Townsite	1,500	.10½	.10½	.10½	.10½
20c	.02½	.00½	Koot. Florence	1,000	.01	.00¾	.00¾	.00¾
1	.02	.00½	La Rose		.00¾	.....	.....	.....
1	.69	.38	Lakeland	1,000	.47½	.47½	.47	.47
1	28.50	20.00	Lake Shore	6,340	24.00	25.90	24.00	25.05
1	.02	.00½	Laval		.00½	.....	.....	.....
1	.02	.01½	Lebel Oro		.02	.....	.....	.....
No	.35	.35	Locarno		.35	.....	.....	.....
1	.55	.10	Macassa	17,800	.34	.38	.30	.37
1	.12	.02	Malartic	2,000	.03½	.03½	.03	.03
No	.15	.06	Mandy		.08	.....	.....	.....
No	.06	.01½	Manitoba Basin	4,000	.01½	.01½	.01½	.01½
1	.55	.20	McKinley		.35	.....	.....	.....
5	26.50	13.95	McIntyre	2,815	17.20	18.75	17.00	18.50
No	.33	.08	McLeod River	6,500	.15	.21	.12	.12
1	.04	.04	McVittie	......	.04	.....	.....	.....
1	.29	.03	MacMillan	......	.06	.....	.....	.....
1	.01½	.00½	Millcrest	......	.01	.....	.....	.....
No	2.84	1.39	Mining Corp.	......	1.41	.....	.....	.....
1	.34	.01	Moffatt Hall	395,300	.10½	.14	.10	.11½
1	.04	.02½	Moneta	......	.03½	.....	.....	.....
1	.00½	.00½	Mtl. Rouyn	......	.00½	.....	.....	.....
1	.63	.20	Moss	160,950	.31½	.35½	.27½	.35½
1	.09	.01	Murphy	......	.02	.....	.....	.....
No	.07½	.02	Newbec	......	.03	.....	.....	.....
1	.40	.25	Nevada	......	.25	.....	.....	.....
1	.09	.02	Night Hawk	......	.03	.....	.....	.....
5	1.90	.80	Nipissing	1,620	1.34	1.25	1.20	1.23
No	29.65	11.75	Noranda	29,348	12.00	14.75	11.75	13.65
1	.50	.25	Nor. Canada	65,500	.27	.40	.25	.38
No	.03	.00½	Old Colony	2,000	.00½	.00¾	.00¾	.00¾
1	.01	.00½	Ophir	......	.00½	.....	.....	.....
1	.10½	.02½	Oriole	......	.03	.....	.....	.....
1	.21	.07	Osisko	......	.08	.....	.....	.....
1	.25	.23	Parkhill	......	.23	.....	.....	.....
1	.15	.14	Patricia Dent	......	.14½	.....	.....	.....
1	.04	.01½	Pawnee Kirk	......	.02½	.....	.....	.....
No	1.61	.60	Pend Oreille	2,300	.60	.60	.60	.60
1	.04½	.01	Pete Cobalt	1,000	.01½	.01½	.01½	.01½
.	.25	.18½	Phoenix Molybd.	......	.25	.....	.....	.....
1	.01½	.00½	Picard	......	.00½	.....	.....	.....
1	.12	.05	Pioneer	......	.05	.....	.....	.....
1	.02½	.00½	Porc. Crown	......	.00½	.....	.....	.....
1	.02	.00½	Potter Doal	......	.00½	.....	.....	.....
1	.45	.30	Powell Rouyn	......	.30	.....	.....	.....
1	.99	.40	Premier Gold	3,650	.45	.50	.41	.45
1	.02½	.00½	Preston E. Dome	......	.01	.....	.....	.....
No	.25	.07	Quemont	......	.08	.....	.....	.....
1	.06	.00½	Ribago	1,500	.04	.03½	.03½	.03½
1	.34	.24	Rich. Rock	......	.33	.....	.....	.....
1	.15	.02	Ritchie	......	.03	.....	.....	.....
1	.04	.00¾	R. Montbray	......	.01	.....	.....	.....
1	.05	.04	Rubec	......	.04	.....	.....	.....
No	.36	.27	San Antonio	1,300	.32	.30	.30	.30
1	.21	.10	Seven Troughs	......	.10	.....	.....	.....
1	1.25	.40	Sherritt Gordon	4,055	.51	.57	.40	.51
1	.57	.36	Siscoe	83,760	.49	.55½	.48	.53
1	.18	.02	South Keora	......	.03	.....	.....	.....
No	.05	.01½	Stadacona	16,000	.01½	.01½	.01½	.01½
1	.20	.03½	St. Anthony	......	.08	.....	.....	.....
No	.82	.35	Sudbury Basin	600	.40	.40	.40	.40
1	.03	.01	Sudbury Contact	......	.01½	.....	.....	.....
1	.03½	.00½	Sudbury Mines	......	.00¾	.....	.....	.....
No	.04½	.01	Sudbury Nickel	......	.03	.....	.....	.....
1	.19	.09	Sullivan	......	.10	.....	.....	.....
1	1.14	.48	Sylvanite	52,225	.65	.70	.61½	.61½
1	.20½	.04	Tashota	5,500	.10	.10½	.10	.10
1	8.65	4.65	Teck Hughes	26,570	5.50	5.95	5.40	5.90
1	.10½	.01	Telluride	1,000	.01½	.01	.01	.01
1	.01½	.01	Temiskaming	......	.01	.....	.....	.....
1	.06½	.02	Thom. Cad'c.	......	.03½	.....	.....	.....
1	.02½	.00½	Tough Oakes	......	.01	.....	.....	.....
1	.63	.17	Towagmac	......	.20	.....	.....	.....
No	2.65	1.00	Treadwell	......	1.25	.....	.....	.....
No	2.85	2.40	Tri-Metals	......	2.85	.....	.....	.....
1	.15	.04½	United Kirk	1,000	.07	.07	.07	.07
1	.03	.01½	Vacuum Gas	......	.01½	.....	.....	.....
No	.86	.35½	Ventures	27,950	.24	.52	.42	.49
1	.15	.01½	Vickers	......	.09	.....	.....	.....
1	1.22	.50	Vipond	5,450	.63	.65	.50	.58
No	2.00	.90	Waite Ackerman	......	1.00	.....	.....	.....
1	.02½	.01	West Tree	......	.01	.....	.....	.....
1	.27	.03½	White Lake	1,000	.05½	.05½	.05½	.05½
1	.06	.02	Wiltsey	......	.02	.....	.....	.....
No	.01½	.00½	Windfall R.	......	.01	.....	.....	.....
.	.13	.03½	Wood Kirk	......	.05	.....	.....	.....
No	3.25	1.85	Wright-Hargreaves	32,390	2.60	2.74	2.45	2.57
			WESTERN OIL STOCKS					
1	.30	.13½	Acme	600	.15	.16½	.16½	.16½
1	.37½	.05	Alta. Pacific	1,995	.07½	.07½	.05	.05
1	.08	.07	Amalgamated	......	.08	.....	.....	.....
No	.25	.04	Associated	1,700	.05	.05	.04	.05
1	1.89	1.08	Ajax	1,300	1.10	1.10	1.10	1.10
No	.12	.02	Baltac	......	.03	.....	.....	.....
1	.07	.02	Black Diamond	......	.02	.....	.....	.....
1	.36	.05	Brit. Dominion	......	.07	.....	.....	.....
1	.32	.04	Calmont	......	.04½	.....	.....	.....
No	.82	.20	Calgary & Ed.	......	.22	.....	.....	.....
1	.47	.06	Comm. Pete.	200	.08	.07	.07	.07
No	.60	.14	Dalhousie	100	.14½	.14	.14	.14
No	.08	.01½	Devenish	......	.01½	.....	.....	.....
No	.12	.01½	Dome Oil	......	.02	.....	.....	.....
No	.69	.08	East Crest	125	.08½	.10	.08½	.10
1	.05	.00½	Fabyan Pete.	......	.00½	.....	.....	.....
No	.60	.14	Foothills	......	.15	.....	.....	.....
No	.18½	.02	Freehold	......	.02	.....	.....	.....
1	.02	.00½	Great West	......	.00½	.....	.....	.....
No	.17	.03	Hargal	......	.04	.....	.....	.....
No	.10	.03½	Herron Pete	......	.03½	.....	.....	.....
No	.07½	[illegible]	High Sarcee	......	.05	.....	.....	.....
No	2.00	.32	Home	845	.40	.40	.40	.40
No	.22	.00½	Homestead	......	.02½	.....	.....	.....
1	1.70	.38	Homest'd O & G	5,900	.33	.39	.33	.33
1	.08½	.00½	Ill. Alberta	27,000	.00½	.00½	.00½	.00½
No	.70	.10½	Lowery	......	.18	.....	.....	.....
1	.05	.00½	Madison	1,000	.00½	.00½	.00½	.00½
1	.85	.15	Mayland	......	.15	.....	.....	.....
No	.11	.00½	M. D. Segur Ex.	10,000	.03	.02½	.02½	.02½
1	.29	.01½	McD. Segur N.	100	.02½	.03	.03	.03
1	.72½	.25	McLeod	......	.27	.....	.....	.....
No	.39	.07½	Mercury	3,190	.08½	.09	.08½	.08
No	.20	.05	Merland	......	.05	.....	.....	.....
No	.38	.08	Mill City Pete	3,040	.09	.12	.09	.09
1	.49	.11	Model	1,300	.11½	.12½	.12½	.12½
1	.18	.02	Monalta	......	.07	.....	.....	.....
1	.31	.07	Moose M.	......	.07	.....	.....	.....
1	.04	.00½	New Federal	......	.01	.....	.....	.....
No	.56	.14½	Nordon	300	.14½	.17	.17	.17
No	.11	.02½	Oil Selection	10,000	.04	.04	.03½	.04
No	.28	.03½	Okalta	......	.04	.....	.....	.....
100	27.00	8.00	Do., pref.	......	8.00	.....	.....	.....
No	.22	.05	Olga Gas & Oil	......	.12	.....	.....	.....
1	.37½	.18	Petrol	250	.18	.18	.18	.18
No	.28	.02	Penn. Pete	4,500	.02½	.02½	.02½	.02
No	.25	.07	Ranchmen's	......	.08½	.....	.....	.....
1	.05	.01½	Regent	......	.02	.....	.....	.....
No	.13	.01½	Richfield	......	.01½	.....	.....	.....
No	17.75	5.00	Royalite	210	5.25	5.25	5.00	5.25
1	.82	.21	Sarnia Oil	550	.24	.25	.24	.25
1	.06½	.01	Signal Hill	90	.03	.03	.03	.03
No	.27	.10	So. West Pete.	......	.10	.....	.....	.....
No	.60	.12	Spooner	......	.13	.....	.....	.....
No	.19	.04½	Sterling Pacific	......	.08	.....	.....	.....
	.15	.15	Turner Basin	......	.15	.....	.....	.....
1	.16	.05	Turner Valley	......	.05	.....	.....	.....
No	.31	.05½	United	700	.06	.06	.06	.06
1	.15½	.05	Vulcan	......	.05	.....	.....	.....
No	.05	.00½	Wainwell	......	.00¾	.....	.....	.....
1	.28	.08	Waite Valley	......	.08½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transactions for Week to October 7)					
25c	.01	.00½	Bayview	......	.00½	.....	.....	.....
20c	.07	.01	Beaver Silver	......	.03½	.....	.....	.....
25c	.02½	.00½	Bluebird	......	.01½	.....	.....	.....
25c	.70	.40	B.C. Silver	......	.40	.....	.....	.....
25c	.02	.00½	Cork Province	......	.01	.....	.....	.....
1	.30	.10	Cotton Belt	20,000	.26	.28	.26	.27
1	.04	.02	Dunwell	......	.02	.....	.....	.....
1	.10	.04	Duthie	......	.04	.....	.....	.....
1	.90	.39	George Copper	150	.39	.40	.40	.40
50c	.05	.01	Geo. Enterprise	......	.02	.....	.....	.....
1	.05	.01½	Georgia River	14,400	.03½	.03¾	.03	.03½
50c	.02½	.02½	Glacier	......	.02½	.....	.....	.....
10c	.01	.01	Gladstone	......	.01	.....	.....	.....
1	.45	.18	Golconda	......	.23	.....	.....	.....
50c	.07½	.03	Grandview	......	.05	.....	.....	.....
No	27.50	17.00	Howe Sound	......	21.25	.....	.....	.....
1	.17½	.10	Intern. Coal	......	.10	.....	.....	.....
1	.01½	.01	Independence	......	.01	.....	.....	.....
1	.02	.01	Indian Mines	......	.01	.....	.....	.....
1	.43	.24	Jack Waite	500	.32	.28	.28	.28
25c	.02	.00½	Kootenay King	......	.00½	.....	.....	.....
25c	.00½	.00½	Lakeview	......	.00½	.....	.....	.....
25c	.02	.00½	L. & L.	......	.02	.....	.....	.....
1	.12	.12	Los Ang. Van.	......	.12	.....	.....	.....
1	.12½	.06	Lorne Gold	5,350	.08	.09	.08	.08
10c	.03½	.01½	Lucky Jim	......	.01½	.....	.....	.....
2.50	.01	.00½	Marmot Gold	......	.01	.....	.....	.....
50c	.01	.00½	Marmot Metals	......	.00½	.....	.....	.....
25c	.00½	.00½	Mohawk	......	.00½	.....	.....	.....
1	.25	.14	Montana Mines	......	.17	.....	.....	.....
1	.05	.01	Morton Woosley	......	.01	.....	.....	.....
50c	.03½	.01	National Silver	15,000	.01½	.01	.01	.01
50c	.09½	.03	Noble Five	1,000	.04½	.04½	.04½	.04½
50c	.12½	.03	Oregon Copper	500	.03	.03	.03	.03
1	2.70	1.23	Pioneer Gold, B.C.	2,875	2.07	2.25	2.15	2.15
No	.02	.00½	Premier Border	......	.00½	.....	.....	.....
50c	.09	.03	Porter Idaho	1,300	.05½	.04	.04	.04
No	.55	.20	Reeves McDonald	......	.20	.....	.....	.....
1	.28	.11	Reno Gold	500	.18	.17	.17	.17
1	.04	.02	Rufus Argenta	......	.02	.....	.....	.....
1	.07	.02½	Ruth Hope	......	.03½	.....	.....	.....
1	.05½	.04	Silverado	......	.05½	.....	.....	.....
25c	.03	.00½	Silver Crest	......	.00½	.....	.....	.....
50c	.05	.00½	Snowflake	7,000	.01½	.01½	.01½	.01½
1	.45	.25	Sunloch	......	.25	.....	.....	.....
50c	.02½	.01	Topley Rich	......	.02	.....	.....	.....
5	.20	.05	Toric	......	.05	.....	.....	.....
20c	.01	.00½	Wellington	......	.01	.....	.....	.....
1	.05	.02	Whitewater	......	.03	.....	.....	.....
No	.03½	.00½	Woodbine	500	.00½	.01	.01	.01

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters	$2.50+a	3.84	Premier	12c.	....
Dome Mines	$1	10.36	Pioneer, B.C.	12c.	5.58
Granby	$1	....	Royalite	50c.	....
Hollinger	65c.+5	12.96	Spooner Oils	6c.	....
Howe Sound	$2	....	Sylvanite	4c.	....
Inter. Nickel	40c.	4.10	Teck Hughes	60c.+5c.	11.01
Lake Shore	$2+50c.	9.98	United Oils	5c.	....
McIntyre	$1	5.40	Wellington Oi	5c.	....
Mercury Oil	5c.	....	Wright-Har	10+2½c.	4.86

a. Stock bonus 1 share for each 20 shares held.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Canadian Mining News

SELECTION TRUST ARRANGES TERMS $12,500,000 LOAN

Debentures With Conversion Rights to Be Financed in U.S.

162,000,000 TONS ORE

First 1,500 Ton Unit of 5,000 Ton Plant to Be Ready Next Year For Production

At the annual meeting of the Rhodesian Selection Trust, held in London, England, on September 23, approval was given to borrow up to $12,500,000 in United States currency, to be secured by an issue of debentures.

The company, which owns a two-third interest in the Mufulira Copper Mines in Northern Rhodesia, is now equipping that property for production and it is for this purpose that the funds are required.

The original financing agreement was with the American Metal Co., the Lehman Corp., and Messrs. Cull & Co., provided that seven per cent debenture stock to an amount of £2,500,000 was to be credited. This debenture stock was to be convertible into shares at £3 per share.

At the annual meeting A. Chester Beatty, chairman of the board, said that in view of the changed world conditions these provisions made future financing exceedingly difficult and after careful consideration it was decided to alter the original terms.

Debentures to Issue

The new terms provide that instead of creating £2,500,000 of debenture stock the company shall be entitled to create approximately the same amount in debentures of U. S. currency or up to a total of $12,500,000, and in place of an issue of £1,500,000 in satisfaction of the total advances to the company it would issue $7,500,000 in debentures. These debentures are to carry conversion rights at the rate of $7.50 per share in place of the original conversion rights of £3 per share.

In referring to the ore reserves, it was estimated that in the Mufulira area, 116,000,000 tons of 4.41 per cent copper ore had been indicated, while in the Chambishi area 25,000,000 tons of 3.46 per cent copper ore had been indicated and in the Baluba area 21,000,000 tons of 3.47 per cent copper ore had been indicated, or a grand total of 162,000,000 tons having an average copper content of 4.14 per cent, of which 96 per cent is in the form of sulphide.

At the Mufulira property construction is proceeding, but instead of bringing it into production on the original basis planned of 5,000 tons of ore daily, only one unit of the mill, to handle 1,500 tons of ore daily, will be completed at the present time. This one unit will have a capacity of approximately 40,000 short tons of copper per annum. All the balance of the plant is designed with an ultimate capacity of 5,000 tons daily and an enlargement to this scale of operations can be completed in a relatively short time and at a comparatively small outlay, according to officials.

A new plant is expected to be in operation next year.

L. B. MASTERSON, ATWELL ASSOCIATE MAKES OFFERING

Buffalo Canadian Venture Introduced With Lurid Accompaniment

Leo. B. Masterson, of Montreal, trading under the name of Masterson & Co., and a former associate of Louis Atwell, sentenced for fraud, is attempting to sell to old clients of Atwell's stock in a promotion known as the Buffalo Canadian Gold Mines, Ltd.

The name of Leo B. Masterson appears as a director of the company. His special bulletin on the great possibilities of the property does not give so much space to the potentialities of the property as to the sensational advances that are confidently predicted in the stock.

Investors are urgently recommended to purchase the stock immediately at 20 cents per share, as it is announced that reports will soon be released which will cause the stock to stage an advance.

Mr. Masterson does not overlook his recommendations made in bygone years while with Atwell to purchase other stocks that staged an advance. Promotions that have long since fallen by the wayside, and which were in the Atwell list, are not referred to.

From the financial statement respecting Buffalo Canadian Gold Mines a book value is worked out for the stock equivalent to 30 cents per share, as compared with a market price of 20 cents. This is done by lumping the value of the property, machinery, cash and investments at an arbitrary figure of $342,007 as against 1,117,007 shares outstanding.

One subscriber of The Financial Post who has been subjected to high pressure salesmanship by Masterson expresses surprise that the tactics employed are permitted.

Parkhill Mines Progresses Mill Heads Are Increasing

Parkhill Gold Mines, in the Michipicoten area, Ontario, is making progress.

Production operations which started in July last are now carried on at the rate of approximately 50 tons of ore daily with millheads for the last week in September averaging $18.15 per ton. During the first four days of October the millheads are stated to have averaged better than $25.00 per ton, as compared with $20.00 per ton average from bulk sampling operations carried out prior to production being started.

A two-compartment shaft was sunk and levels opened up at 125 and 240 ft., but shaft-sinking operations are continuing and two new levels at 375 and 500 ft. are being opened up at once.

Northwestern Quebec Gold Field Looms Big Search is Intensified

From Our Own Correspondent

ROUYN.—The Financial Post has just concluded an extended visit and survey of mining activity in various sections of the northwestern part of Quebec. A feature of the conditions in all sections is the intensified search for gold.

At the Noranda mine itself, there is every indication of a gold output, this year of around $4,500,000 and a copper production exceeding $5,000,000. With premium added, the gross output this year will have a value of about $10,,000,000. The company has about 1,300 men on the payroll. Wages have not been reduced. The company will adhere to the wage schedule prevailing at the neighboring gold mines in the Province of Ontario.

As nearly as may be calculated at this time, Noranda, after all costs, contingencies and write-offs, will have close to $2,000,000 to add to surplus at the end of 1931. This achievement during such a difficult year is regarded as evidence of a very bright future whenever the price of copper advances.

To be able to do this with copper output at only two-thirds capacity and with the price of metal at such a low ebb, is regarded as one of the most impressive achievements this year in the mining industry of Canada.

Apart from the work at Noranda, very little development is in progress on base metal mines of Quebec. The Aldermac is the only exception, where a mill is being erected with which to produce iron pyrites and also recover a small amount of copper.

Gold Areas Are Active

It is in the gold areas where great activity is displayed. Prospectors and mining groups who formerly searched for all classes of metal, have commenced to concentrate their efforts on the search for gold.

Achievements at the mines already developed have continued encouraging. At the Siscoe Gold Mines in particular, the output of gold has exceeded all general expectations. Production early in the year at around $1,000 per day was expected to about represent the average performance at the Siscoe. This, however, has continued to increase until at present a rate of $3,000 every 24 hours has been attained. Siscoe, compared with the big gold producers in the older mining fields in Ontario, is producing at a greater rate than such mines as Vipond, Sylvanite, Kirkland Lake, Coniaurum, or Howey. In all Eastern Canada, Siscoe is the eighth largest producer of gold.

The Financial Post representative visited Granada and examined the lower workings. The winze from the 625-ft. level to a depth of 775 ft. has continued in ore all the way, and with an average of $22 in gold per ton. The drifts have extended about 50 ft. to the east as well as to the west at 775 ft. in depth and the average gold content of the ore has been close to one ounce of gold per ton. Granada is declared to be realizing profits which would permit dividends to be paid, but it is the desire of those in control to spend part of the earnings on installation of larger equipment and more extensive development. This entailed the recent signing of a contract for hydro-electric power. Officials say that a larger compressor as well as motors will be installed, power transmission line completed—and everything in readiness for the larger scope of work within the next ten weeks.

Duparquet Gold Area

In view of the important developments in the new gold field in Duparquet township, the representative of The Financial Post also visited that area. This section of the gold area appears to be more important than generally realized. The extremely large widths of what appears to be commercial ore mark this field as a possible large tonnage gold field. Up until recently, the Beattie monopolized interest in Duparquet, but this interest is now shared by other properties.

On the Beattie property, the gold already indicated is estimated at approximately $16,000,000. The width of the one main deposit so far explored is more than 100 ft. Exploration to 500 ft. in depth shows uniform mineralization occurring across this width. It is reasonable to believe this will continue to greater depth. A second deposit has been located, but no estimate is yet available as to its value, other than the fact that it offers promise of also containing a large tonnage. The ore on the Beattie is low in grade, but with estimates of low operating costs profits may accrue.

Working in Cadillac Fields

Work has commenced on the O'Brien property in Cadillac township with erection of a mill. Regular production will be established early in the coming spring. Pandora has commenced sinking on its properties in Cadillac township.

Farther west in the township of Pascalie, work on various groups is disclosing encouraging showings of gold.

The general display of optimism from end to end of these new mining fields is a feature of the situation. There is no tendency to ignore the business depression on "the outside world," nor disregard the disturbed financial conditions, but despite all this, there is an abiding faith in the fact that natural resources are the fountain of all wealth—hence the spirit of optimism which prevails at this time in the mining fields of Northwestern Quebec.

British Empire Gold World's Main Source

Proven Unmined Gold in the Empire Places Her in a Dominating Position to Control Its Distribution in Future

With interest in the world economic situation centred about gold and with the United States and France holding approximately 65 per cent of that used in the monetary systems of the world, it is regarded as gratifying to know that while Great Britain is off the gold standard, the British Empire produces 75 per cent of the world's output of gold and has proven and potential ore reserves about equivalent to all the gold in monetary use at the present time.

What Winston Churchill said in his dramatic way about gold being dug out of a hole in South Africa to be placed in other holes in United States and France has a bearing on the British Empire's future gold position.

The estimated gold produced from 1492 to the end of June last is estimated at 1,112,382,410 ounces, having a value of approximately $23,000,000,000. Of this approximately $10,700,000,000 or about 46 per cent is in the monetary systems of the world, of which United States has approxmiately $4,600,000,000, and France about $2,300,000,000, or 65 per cent of the world total.

Of the total world production of gold the British Empire has produced approximately 513,481,307 ounces valued at $10,600,000,000 or nearly one-half of this amount South Africa has produced 250,713,736 ounces valued at $5,180,000,000 or about 25 per cent of the total gold in the world. When it is realized that South Africa is at present producing over 50 per cent of the world output while the British Empire is producing about 75 per cent of the current production, the true perspective of the British Empire's gold position is attained. More than this, of the known and measured gold ore reserves of the world, South Africa has ore yet to be mined valued at over $5,000,000,000. This vast proven gold ore reserve does not take into account the ore in the mines of Canada and of other British possessions, the amount of which can not be delimited and estimated as can the ore of South Africa.

The present gold situation in so far as its known distribution is concerned is that United States has about $4,600,000,000 stored in its man-made vaults, while the proven gold reserves of the British Empire are over $5,000,000,000, more safely stored in the bosom of mother nature. The British Empire is providing the world with about 75 per cent of its present production and rapidly gaining in the percentage of the total. United States has been an important gold producer in bygone years, but from its peak year of production in 1915, when the output was 4,823,672 ounces, the production has steadily diminished and is currently around the 2,000,000 ounce annual rate, a decrease of 50 per cent.

The British Empire struck its stride as an important gold producer about forty years ago when the South African fields came into prominence. Thus in forty years the production of the Empire has been steadily increasing, assisted in a most generous way by the output from Canada, which is now the second most important gold producer, with its production increasing at a rapid rate. The nature of the ore deposits in Canada are such that they are not conducive to accurate measurement without a great deal of unjustified expense, but Lake Shore Mines, currently Canada's largest gold producer has already produced approximately $35,000,000, and conservative engineers have estimated that at least $100,000,000 in commercial ore is yet to be mined. This amount is equivalent to one per cent of the gold at present in the monetary systems of the world.

Great Britain suspended gold payments from 1914 to 1925. This action was made advisable as a war measure in order to prevent enemy accumulation. The present action by Great Britain does not mean the abolition of the gold standard, nor would such a step be regarded as consistent when it is the principal present source of gold production and the principal potential source as indicated by its proven gold ore reserves.

The fear that the world is tottering from the gold standard and that, as one economist expressed it, it would only be used for filling teeth, has been pretty well dispelled, as indicated by the upward market action of the gold stocks. In the mean time the earnings of the gold producers in Canada are greatly enhanced by the premium on United States funds.

METAL PRICES

New York—October 13:
Copper: Electrolytic spot, 7c. lb.
London—October 13:
(Long Ton)
Copper: Electrolytic spot, £41 10s.; future, £42 10s. Standard spot, £35 12s. 6d.; future, £36 10s.
Tin: Spot, £129 2s. 6d.; future, £131 5s.
Lead: Spot, £13 10s.; future, £13 12s. 6d.
Zinc: Spot, £13; future £13 10s.
Silver: 17¼d. per ounce.

McVITTIE-GRAHAM PLANS RETIRING PREFERRED STOCK

Undeveloped Property to be Given Holders of Preference Shares

McVittie-Graham Mines is completing negotiations which will permit it retiring its preference shares, leaving only the common stock as a capital liability, thus discharging a cumulative interest liability of $35,000 annually.

The company was incorporated with an Ontario charter in January, 1928, having an authorized capitalization of $500,000 in preference shares of $100 par value, and $5,000,000 in common shares of $1 par value. The preference shares carried interest at 5 per cent per annum, were cumulative and were for the most part held by Wm. McVittie and the Cochrane Estate. Mr. McVittie is understood to have owned 3,710 shares and the Cochrane Estate approximately 1,000 shares. All of the authorized preference shares are outstanding while $3,250,000 of the common shares have been issued.

Retiring Preference

Under the plan of reorganization the preference shares will be retired by transferring to holders of these shares certain property in the Sudbury area. The plan as now under consideration is to allot to Wm. McVittie and his associates 158 acres at Moose Lake in McLennan township; 633 acres in Snider township, west of Copper Cliff; 259 acres in Creighton township, west of the Creighton mine, and 160 acres in Garson township, just west of the Garson mine. In addition about $7,000 was paid out in cash to retire miscellaneous preference shares holding.

This will leave the company 321 acres in Graham township, and 1,436 acres in Drury township, as well as the cash assets of the company amounting to approximately $130,000.

Exploring Widely

The common stock of the company is held principally by the British Metal Corp., F. M. Connell and N. A. Timmins, who have directed the operations of the company. During the summer of 1929 various properties under option were explored and dropped as being not sufficiently interesting. In that year development work was done on the Moose Lake property in McLennan township. The surface outcrops were trenched and sampled and a magnetic survey made along the norite granite contact. A two compartment shaft was sunk to a depth of 265 ft., and lateral work done on the 250-ft. horizon to explore two parallel veins showing on the surface. Development work disclosed four lenses of ore spread over a distance of approximately 1,800 ft. but the magnetic survey did not show any connecting ore bodies. Owing to the general state of the base metal market the company has pursued the policy of conserving its cash and waiting opportunities to acquire properties, particularly gold prospects of indicated merit.

The retiring of the preference shares will have the effect of strengthening the common stockholdings without impairing the current position of the company and will leave it free to carry out its exploration programme. The properties involved in the retirement of the preference stock are known to be favorably situated, but the general state of the base metal market is such that there is very little interest in retaining holdings of this nature.

GEM LAKE MINES COMPLETES SHAFT TO 750-FT. LEVEL

Work Now to Concentrate on Blocking Out and Estimating Ore

The deepening of the Gem Lake shaft from the 500 to the 750 ft. horizon has been completed and two new stations have been cut at depths of 625 and 750 ft.

Crosscutting is under way to determine the downward extension of the shaft vein encountered on the 500 ft. level, about 125 ft. west of the shaft. It is reported that on the 500 ft. level 112 ft. of ore, over an average width of 3.6 ft. showed values averaging $16 per ton, which prompted officials to continue sinking, that this ore shoot might be proved up at greater depth.

The company has a group of 59 claims in the Slate Lake section of the Central Manitoba area, astride the Manitoba-Ontario boundary. Operations were resumed in July of this year, following additional finances being made available.

No definite quantities of ore have been estimated, but in the two vein systems several ore shoots have been developed, the most important of which is the shaft vein now under development at depth. Work is now to be concentrated on blocking out of ore to determine the potentialities of the property and guide the company in its proposed mill construction programme.

San Antonio Gold Mines Starts Mill Construction

Following a reorganization of the San Antonio Gold Mines last August, and N. A. Timmins undertaking the financing of the property, developments have been rapid and already foundations are in for a 150-ton mill.

By getting in the concrete foundations early the danger of frost is eliminated, while during the winter season the mill and equipment can be transported to the property over winter roads in a most economical manner. Plans for the mill layout are already under way by one of Canada's leading machinery firms, as are negotiations for hydro electric power.

Turner Valley Drilling Report

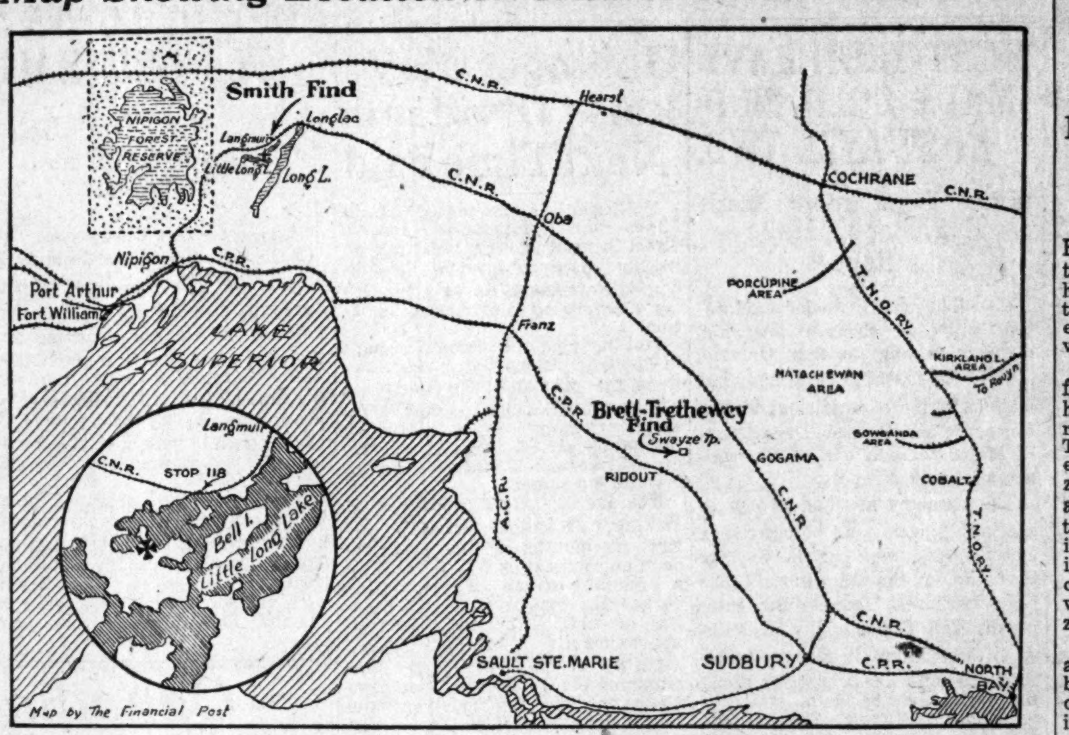
Wells Drilled by Imperial Oil

Progress Report—Week Ending October 9, 1931

Name of Well	No.	Type	Depth Last report feet	Present depth feet	Feet drilled	Remarks
Sterling Pac.	2	R.	4528	4644	116	Drilling in sand and shale.
S. W. Pete.	2	R.	5407	....	...	Abandoning.
Lethbridge	1	S.	3738	3798	60	Drilling in sandy shale.

Note: R.—Rotary. S.—Standard.

Map Showing Location of Ontario's New Gold Finds



Following the report last week of two interesting gold strikes, the Ontario Department of Mines sent engineers at once to the sites to make complete reports. One find was made in Swayze township about 125 northwest of Sudbury, the other was made on Little Long Lac, just east of the Nipigon Forest Reserve. Both finds were made by well-known prospectors, which has led to a great influx into the areas.

Gold Finds Come Fast, Exploration Intense

Hardly a week passes without a report from some area of Canada of new gold finds. Last week Ontario mining men were excited by the report of two finds, one about 125 miles northwest of Sudbury, and the other at Little Long Lac, east of Lake Nipigon.

From Alberta came the report that members of the Stoney Indian Tribe, accompanied by veteran prospectors, had located what was believed to be the long lost Lemmon mine, southwest of Calgary. The party registered a number of claims, including what is believed to be the former workings of a prospector named Lemmon, because an old camp and prospecting tools were found, Lemmon having died a number of years ago and with him the secret of the location of his working.

Exploration for gold at the present time is more active than at any time in the history of the Dominion and with such activity evident in the provinces from coast to coast, it would be surprising if finds of importance were not made.

In Ontario prospecting, particularly in the older areas, which have been the scenes of activity in years gone by, is being carried out in a most methodical manner.

In the Thunder Bay area, stretching from Port Arthur to Kenora, some of Canada's first gold mines are being rehabilitated and further developed simultaneously with intensive surface exploration.

Early this spring the Matachewan area saw an influx of prospectors following the find a year ago on the Ashley property now being developed by the Mining Corp. Since that time several strikes in the area have been reported. A couple of months ago on McKenzie Island in Red Lake an interesting find was made by John Munroe and is now being developed by Coniagas Mines. In addition, close-in areas to Porcupine and Kirkland Lake camps are coming in for their share of renewed development.

In northwestern Quebec the exploration of gold properties is under way on a scale never before undertaken and indications point to new producers of importance from that area in the near future.

In British Columbia placer deposits, particularly, are being explored and thus each section of the Dominion is striving to add its quota to Canada's gold production.

LITTLE LONG LAC LOOKS IMPORTANT, RUSH IS NOW ON

Gold Find Made by Hardrock Prospecting Synd. Attracts Miners

A gold strike at Little Long Lac, in the Thunder Bay mining division of Ontario, has resulted in the Ontario Department of Mines sending an engineer to the area to report and assist in the exploration activities.

The strike was made by Wm. "Hardrock" Smith, working for the Hardrock Prospecting Syndicate, a private company composed principally of Toronto men. The find was made south of West Bay, an arm of Little Long Lac, about five miles south of mileage 18 on the Port Arthur branch of the Canadian National Railway. The vein is described as being archose carrying quartz and sulphide, well mineralized over a maximum width of 150 ft., which has been traced for 1,500 ft. Work to date has consisted of blasting trenches across the vein and channel sampling. Some of the samples carry spectacular showings of free gold, but the nature of the vein, its width and mineralization, lead officials of the company to believe the find has possibilities as a large low grade deposit and that only extensive bulk sampling can determine its true importance. The nearness of the site to the railway and its easy access by water adds to the attractiveness of the find and has already been responsible for an influx of seasoned prospectors into the area.

Well Known Prospectors Stake

To the west of the Hardrock stakings, Cockshutt & McLeod and the Mosher Bros. have staked claims, while to the east the Connell Exploration Co., Alex. Gillies and Coniagas have staked territories. Other well known prospectors and company representatives are in the field.

The general area was reported on several years ago by Alfred Burrows, provincial geologist, but officials of the Hardrock Prospecting Syndicate say no staking has taken place in the immediate area where its find was made. Farther to the west some iron claims were staked many years ago. These are the only claims that have been recorded.

For the past several weeks there has been increasing interest in the Little Long Lac area, and at mileage 18 on the railway, locally known as Smith's Landing, accommodation has been provided for prospectors and visitors to the area. At this point it is possible to obtain supplies and lodging or obtain motor boat transportation to points on the lake.

The Hardrock Prospecting Syndicate has already staked eighteen claims in the area and has a party of ten men engaged in exploration.

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Brownlee Gold Mines Sinking Progresses

Brownlee Gold Mines is developing a copper-gold prospect in Rouyn township, adjoining Noranda Mines, and is engaged in sinking a shaft.

The new shaft is 190 ft. from the Noranda Mines and is now reported at a depth of approximately 35 ft. Following the announcement of the new financial arrangement last March, the company has been busy with its development programme. Diamond drilling indicated several large lenses carrying gold ore over a length of 2,400 ft. One hole showed 90 ft. of $2.00 ore; another 100 ft. of $1.36 ore and one section ran $6.00 over ten feet, while other sections ranged from $1.00 to $4.00 per ton in gold.

It is understood that the shaft is to be continued to an immediate depth of 100 ft.

CANADIAN ENTERPRISES LIMITED
Developing Gold Properties
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Great Slave Lake Area Examined by Dr. Stockwell

A returning geological survey party, headed by Dr. C. A. Stockwell of the Department of Mines, Ottawa, which has spent the summer on the eastern side of Great Slave Lake, Northwest Territory, brought news and samples of mineral finds in that area.

The party brought out approximately 500 pounds of various samples of ore, principally lead and copper, which it has shipped to Ottawa for assay purposes.

Dr. Stockwell has spent the past three seasons in this area and has interesting information on the mineral possibilities of the east side of Great Slave Lake.

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BEATTIE ORE IS ESTIMATED AT $3.07 TON

Diamond Drill Indicates 5,390,000 Tons Valued at $16,500,000

Ventures, Ltd., developing the Beattie property in Duparquet township, northwestern Quebec, has made an official statement estimating 5,390,000 tons of ore averaging $3.07 per ton, or a gross value of $16,500,000.

The estimates have been derived from two series of diamond drill holes averaging 125 ft. and 500 ft. respectively along the main zone. They do not include, however, any estimates of possible ore in other zones now being drilled. The average width of the ore zone is stated to be 107.9 ft., conducive to low mining costs. Officials are of the opinion that when diamond drilling is completed a much greater tonnage will be shown above the 500 ft. horizon.

No announcement has been made as to whether or not a mill will be built, but it is known that shipments of ore have been made to the testing laboratories at Ottawa and that preliminary plans have been made for a mill suitable for treating the ore. While all calculations to date have been based on diamond drill holes, there is evidence that the property is important if development work will substantiate the diamond drilling results. Following is a tabulation of ore estimated over the entire zone which is 1,158 ft. long, also of the richest sections of this zone:

	Entire zone	Sections 16-21	Sections 17-21
Length, ft. ...	1,158	589.3	468.3
Width, ft.	107.9	114.4	123.4
Tons	5,390,000	3,634,000	3,074,800
Grade	$3.07	$3.42	$3.54

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This is the sixth year in succession in which The Financial Post has brought out its Survey of Mines. Each preceding volume has been an accepted success. The average paid circulation over this number of years has been 7,165. It is confidently expected this year's volume will exceed the others in value.

The Survey of Mines is the only complete record of mining activity in Canada available in permanent form. It is a vivid compilation of facts relating not only to the industry in a broad sense, but to the various companies that together form that industry. It is a reference volume for everyone interested in the great and growing mining industry, whether as an operator, mine executive, financier or investor. It holds its place as the one authoritative reference volume on the desks of all those whose interests, either directly or indirectly, touch the mines.

This year companies will be covered in an even more complete manner than formerly; of producing companies there will be full record of production, costs, earnings and dividends, complete record of financial structure and history, also details as to personnel and directorate.

Companies under development will be fully covered with present status of operations, together with names of all officers and directors.

A list of leading mining engineers, geologists and mine managers is to be included.

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